

Mawer U.S. Equity Fund

Annual Management Report of Fund Performance

For the Year Ended December 31, 2021

This Annual Management Report of Fund Performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. You may obtain a copy of the annual financial statements at no cost by calling 1-844-395-0747, by writing us at Suite 600, 517 – 10th Avenue SW, Calgary, Alberta T2R 0A8, or by visiting our website at www.mawer.com or SEDAR at www.sedar.com.

Unitholders may also contact us using one of the above noted methods to request a copy of the investment fund's proxy voting policies and procedures, interim financial reports, proxy voting disclosure record, or quarterly portfolio disclosure.

This Annual Management Report of Fund Performance includes certain statements that are "forward looking statements". All statements, other than statements of historical fact, included in this report that address activities, events or developments that the portfolio manager, Mawer Investment Management Ltd. (the "Manager"), expects or anticipates will or may occur in the future, including such things as anticipated financial performance, are forward looking statements. The words "may", "could", "would", "should", "believe", "plan", "anticipate", "expect", "intend", "forecast", "objective" and similar expressions are intended to identify forward looking statements. These forward looking statements are subject to various risks and uncertainties, including the risks described in the Simplified Prospectus of the Fund, uncertainties and assumptions about the Fund, capital markets and economic factors, which could cause actual financial performance and expectations to differ materially from the anticipated performance or other expectations expressed. Economic factors include, but are not limited to, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

All opinions contained in forward looking statements are subject to change without notice and are provided in good faith but without legal responsibility. The portfolio manager has no specific intention of updating any forward looking statements whether as a result of new information, future events or otherwise, except as required by securities legislation. Certain research and information about specific holdings in the Fund, including any opinion, is based upon various sources believed to be reliable, but it cannot be guaranteed to be current, accurate or complete. It is for information only, and is subject to change without notice.

Management Discussion of Fund Performance

Investment Objectives and Strategies

The Mawer U.S. Equity Fund (the "Fund") seeks to increase investors' capital by investing primarily in the common shares of U.S. corporations.

The Fund invests in companies that earn attractive returns on capital, are in strong financial position and have a demonstrable record of delivering strong operational and financial results. Shares are generally purchased at discounts to intrinsic value. Emphasis within the portfolio is placed upon holdings that are believed to exhibit superior risk-return characteristics.

Risk

This Fund is suitable for investors seeking long-term growth and who have a medium tolerance for risk. General risks of investing in this Fund are outlined in the Prospectus and include the possibility of reduction in value of any given investment, liquidity risk, interest rate risk, and currency risk amongst others.

The Manager reduces the exposure to these risks by not concentrating more than 20% of the net assets of the Fund in a particular industry (i.e., sub-sector) as defined by the Global Industry Classification Standards (GICS).

The Fund was invested in nine of the eleven Global Industry Classification (GICS) sectors at December 31, 2021. The Fund's largest sector weightings were in Information Technology (27%), Financials (19%), and Industrials (13%). Combined, the weight in the three largest sectors represented 59% of the portfolio which is an increase from 58% at the end of 2020. In aggregate, the ten largest individual holdings accounted for 36% of the portfolio which is an increase from 33% at the end of 2020.

Results of Operations

The Fund's net assets increased 22.2% to \$5,647.1 million from \$4,622.7 million at December 31, 2021. Of this change, \$1,146.6 million is attributable to positive investment performance and -\$122.2 million was due to net redemptions to the Fund. The portfolio manager does not believe that cash flows associated with subscriptions and/or redemptions during the period had a material impact on the management of the Fund.

The Fund's series A units gained 23.6% in 2021 versus 27.6% for the S&P 500 Index (in Canadian dollar terms). The Fund's return is after management fees.

The Fund's relative performance was primarily due to negative security selection, primarily in Information Technology and Industrials. Sector allocation was a slight detractor as well, driven by the lack of exposure to Energy and the exposure to cash.

The top contributors to the Fund's return over the period were Alphabet, Microsoft, and Intuit Inc. Conversely, the biggest detractors from Fund performance were IAA Inc, Verizon Communications, and PayPal Holdings.

The Fund initiated the following positions during the year:

1. Ryan Specialty Group Holdings Inc
 2. Dollar General Corp
 3. Abbott Laboratories
 4. Southern Co
 5. American Electric Power Co Inc
 6. FTI Consulting Inc
 7. BWX Technologies Inc
 8. NV5 Global Inc
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9. Netflix Inc
10. Warner Music Group Corp
11. Meta Platforms Inc

The Fund eliminated the following positions during the year:

1. Hologic Inc
2. Wells Fargo & Co
3. Booking Holdings Inc
4. CSX Corp
5. TriMas Corp
6. BlackRock Inc
7. 3M Co
8. Cboe Global Markets Inc
9. FleetCor Technologies Inc
10. VeriSign Inc
11. Union Pacific Corp

Recent Developments

U.S. equities capped off a strong year with a solid fourth quarter of returns.

Very crudely, stock prices are driven by earnings and rates. While the market exhibited some nervousness with regards to potential central bank actions and interest rates, particularly within the more speculative areas of the market, this was more than outweighed by company earnings released during the fourth quarter which were generally very strong.

Larger-cap and developed markets fared better than their smaller-cap and emerging markets peers, in part due to continued weakness in China. And as opposed to the first wave of the pandemic, the market has so far effectively looked through the impact of the Omicron variant. The Fund's investment philosophy remains and demands that we invest in companies that are wealth-creating, i.e., that earn a return on capital above their cost of capital over an economic cycle. To do so, companies within the Fund need to have durable competitive advantages and able management teams.

Effective December 31, 2021, Mr. Robert Algar retired from the Independent Review Committee (the "IRC"). Mr. Derek Mendham replaced Mr. Robert Algar on January 1, 2022.

On February 24, 2022, Russia launched a military invasion of Ukraine. Following economic sanctions imposed on Russian corporate and banking entities, closures to Russian securities markets, and Russian government-imposed capital controls, the liquidity of Russian securities and its currency has experienced significant declines. In the immediate term, the major risks centre around the repercussions of Russia's invasion: the significant human toll, sanctions on Russian entities, and the associated economic upheaval in Russia and Ukraine. The third and fourth-order effects of the conflict are difficult to predict but may be more meaningful to investors from a risk perspective. For example, the broader effect on commodity markets, inflation, the potential for greater geopolitical conflict with the West, and so on. At the time of the invasion, the Fund did not have any direct exposure to Russian securities. The Manager is actively monitoring the situation.

Related Party Transactions – Management Fees

The Portfolio Manager receives management fees, which are calculated for Series A Units as 1.0% per annum of the net asset value of the Fund calculated on a daily basis. Management fees for Series O Units are payable directly to the Manager by Series O investors and not by the Fund.

The terms of the Management Agreement were amended January 4, 1994, to grant the Manager of the Fund the ability, at their discretion, to reduce the management fees for large investors. This reduction is effected by means of a management fee distribution and will be automatically reinvested in additional units of the Fund at the net asset value of the Fund on the date of distribution. Mawer also receives fees for performing administrative services. As at December 31, 2021 the Fund owes Mawer \$0 related to these administrative services.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years. This information is derived from the Fund's audited annual financial statements which are prepared in accordance with IFRS.

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The Fund's Net Asset Value (NAV) per Unit¹

SERIES A	2021	2020	2019	2018	2017
Net Assets, beginning of year	70.87	61.84	49.26	45.10	40.01
Increase (decrease) from operations:					
Total revenue	0.82	0.82	0.80	0.78	0.60
Total expenses	(1.00)	(0.87)	(0.77)	(0.66)	(0.58)
Realized gains (losses) for the year	5.91	3.53	2.75	3.71	1.61
Unrealized gains (losses) for the year	10.98	5.25	9.76	0.35	3.45
Total increase (decrease) from operations²	16.71	8.73	12.54	4.18	5.08
Distributions:					
From net investment income (excluding dividends)	-	(0.04)	(0.09)	(0.04)	(0.05)
From capital gains	-	-	-	(0.14)	-
Total Annual Distributions ³	-	(0.04)	(0.09)	(0.18)	(0.05)
Net Assets, end of year	87.58	70.87	61.84	49.26	45.10

SERIES O	2021	2020	2019	2018	2017
Net Assets, beginning of year	67.54	58.86	46.86	44.17	39.15
Increase (decrease) from operations:					
Total revenue	0.78	0.78	0.80	0.77	0.59
Total expenses	(0.12)	(0.13)	(0.11)	(0.10)	(0.09)
Realized gains (losses) for the year	5.64	3.37	2.62	3.65	1.59
Unrealized gains (losses) for the year	10.51	5.36	9.43	0.52	3.52
Total increase (decrease) from operations²	16.81	9.38	12.74	4.84	5.61
Distributions:					
From net investment income (excluding dividends)	(0.68)	(0.73)	(0.71)	(0.60)	(0.53)
From capital gains	(0.47)	-	-	(1.50)	-
Total Annual Distributions ³	(1.15)	(0.73)	(0.71)	(2.10)	(0.53)
Net Assets, end of year	83.24	67.54	58.86	46.86	44.17

⁽¹⁾ This information is derived from the Fund's audited financial statements.

⁽²⁾ Net asset value and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. Due to the different methods of calculating individual components of the table, the sum of the individual components will not necessarily equal the ending net asset value.

⁽³⁾ Distributions were reinvested in additional units of the Fund and paid in cash.

Ratios and Supplemental Data

SERIES A	2021	2020	2019	2018	2017
Total net asset value (000's) ¹	782,994	623,511	538,454	400,132	353,092
Number of units outstanding (000's) ¹	8,941	8,798	8,708	8,122	7,829
Management expense ratio ²	1.13%	1.15%	1.14%	1.15%	1.16%
Management expense ratio before waivers or absorptions	1.13%	1.15%	1.14%	1.15%	1.16%
Trading expense ratio ³	0.01%	0.01%	0.01%	0.01%	0.01%
Portfolio turnover rate ⁴	18.02%	18.66%	12.98%	17.67%	15.92%
Net asset value per unit¹	87.58	70.87	61.84	49.26	45.10

SERIES O	2021	2020	2019	2018	2017
Total net asset value (000's) ¹	4,864,154	3,999,211	3,446,371	2,758,770	2,608,349
Number of units outstanding (000's) ¹	58,437	59,211	58,552	58,878	59,046
Management expense ratio ²	0.01%	0.01%	0.01%	0.01%	0.01%
Management expense ratio before waivers or absorptions	0.01%	0.01%	0.01%	0.01%	0.01%
Trading expense ratio ³	0.01%	0.01%	0.01%	0.01%	0.01%
Portfolio turnover rate ⁴	18.02%	18.66%	12.98%	17.67%	15.92%
Net asset value per unit¹	83.24	67.54	58.86	46.86	44.17

⁽¹⁾ This information is provided as at December 31 of the year shown, as applicable.

⁽²⁾ Management expense ratio is based on total expenses (excluding distributions, commissions and other portfolio transaction costs) for the stated year and is expressed as an annualized percentage of daily average net assets during the year.

⁽³⁾ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the year.

⁽⁴⁾ The Fund's portfolio turnover rate indicates how actively the Fund's Portfolio Manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Past Performance

Sales commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the Prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any investor that would have reduced returns. Mutual funds are not guaranteed. Their value changes frequently and past performance may not be repeated.

The Fund's performance numbers assume that all distributions are reinvested in additional units of the Fund. If you hold this Fund outside of a registered plan, income and capital gains distributions that are paid to you increase your income for tax purposes whether paid to you in cash or reinvested in additional units. The amount of the reinvested taxable distributions is added to the adjusted cost base of the units that you own. This would decrease your capital gains or increase your capital loss when you later redeem from the Fund, thereby ensuring that you are not taxed on this amount again. Please consult your tax advisor regarding your personal tax situation.

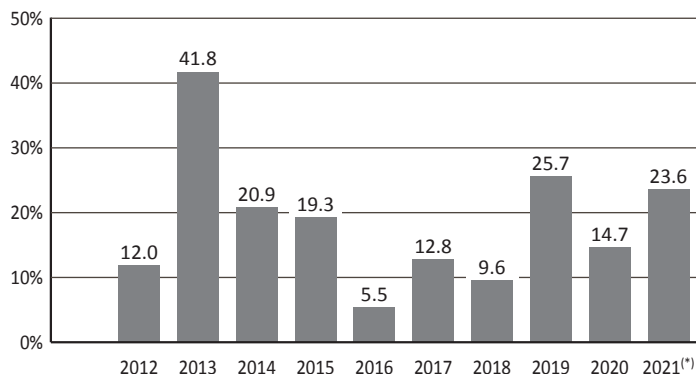
The past performance of the Fund is set out in the following charts.

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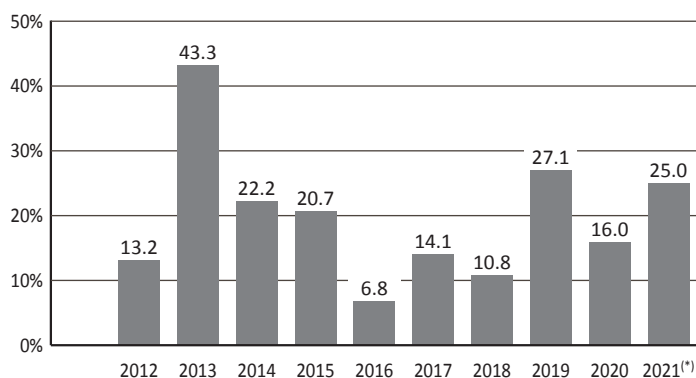
Year-by-Year Returns

The bar charts below show the Fund's annual performance in each of the past 10 years, if applicable, to December 31. The charts show in percentage terms how an investment made on January 1 would have increased or decreased by December 31 of the fiscal year.

Series A



Series O



^(*) Series A start date was December 18, 1992; Series O start date was December 1, 2004.

Annual Compound Returns

The following table shows the historical annual compound total return of the Fund for the periods shown ending on December 31, 2021. The annual compound total return is also compared to the S&P 500 Index calculated on the same compound basis. Widely regarded as the standard for measuring large cap US stock market performance, this index includes a representative sample of established companies in the major economic sectors of the US.

All index returns are calculated in Canadian dollars on a total return basis, meaning that all distributions are reinvested.

	1 Year	3 Year	5 Year	10 Year	Since Inception ^(*)
Mawer U.S. Equity Fund – Series A	23.6%	21.2%	17.1%	18.2%	9.3%
S&P 500 Index	27.6%	22.8%	17.1%	19.1%	10.7%
Mawer U.S. Equity Fund – Series O	25.0%	22.6%	18.4%	19.5%	11.5%
S&P 500 Index	27.6%	22.8%	17.1%	19.1%	11.0%

^(*) Series A start date was December 18, 1992; Series O start date was December 1, 2004.

Summary of Investment Portfolio

A summary of the Fund as at December 31, 2021 is as follows:

	% of Portfolio
Cash	0.0
Total Cash	0.0
Treasury Bills	0.4
Total Short-Term Reserves	0.4
Equities	
Communication Services	10.4
Consumer Discretionary	4.7
Consumer Staples	5.2
Financials	18.7
Healthcare	13.2
Industrial	13.5
Information Technology	26.9
Materials	5.8
Utilities	1.2
Total Equities	99.6
Total Portfolio	100.0

Totals may not add to 100% due to rounding.

The following table lists the 25 largest holdings of the Fund as at December 31, 2021.

Holding	% of Net Asset Value
Alphabet Inc. Cl. C	5.2%
Microsoft Corporation	5.0%
Marsh & McLennan Companies, Inc.	3.9%
Amphenol Corporation Cl. A	3.9%
The Procter & Gamble Company	3.3%
Verisk Analytics, Inc. Cl. A	3.2%
Visa Inc. Cl. A	3.1%
Paychex, Inc.	2.8%
Amazon.com, Inc.	2.7%
Waters Corporation	2.7%
UnitedHealth Group Incorporated	2.7%
CME Group Inc. Cl. A	2.7%
Intuit Inc.	2.6%
IAA, Inc.	2.5%
AMETEK, Inc.	2.5%
The Sherwin-Williams Company	2.4%
Arthur J. Gallagher & Co.	2.2%
Becton, Dickinson and Company	2.2%
Cognizant Technology Solutions Corp. Cl. A	2.2%
Johnson & Johnson	2.0%
JPMorgan Chase & Co.	1.9%
S&P Global Inc.	1.9%
Comcast Corporation Cl. A	1.9%
Accenture PLC Cl. A	1.8%
Intercontinental Exchange, Inc.	1.6%
Total	68.9%

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The investments and percentages may have changed by the time you purchase units of this fund. The top 25 holdings are made available quarterly, 60 days after quarter-end and may be obtained by contacting your registered representative or by contacting the Manager toll-free at 1-844-395-0747 or by e-mail at info@mawer.com.
