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# Mawer Canadian Bond Fund

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## Annual Management Report of Fund Performance

For the Year Ended December 31, 2025

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](http://www.mawer.com) or SEDAR+ at [www.sedarplus.com](http://www.sedarplus.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 information" or "forward looking statements" (collectively, "forward looking information") within the meaning of applicable securities legislation. All statements, other than statements of historical fact, included in this report that address activities, events or developments that the portfolio advisor, Mawer Investment Management Ltd., expects or anticipates will or may occur in the future, including such things as anticipated financial performance, beliefs, plans, goals, objectives, assumptions, information and statements about possible future events, conditions, results of operations, are forward looking information. The words "may", "could", "would", "should", "believe", "plan", "anticipate", "expect", "intend", "forecast", "objective", "will" and similar expressions are intended to identify forward looking information. Undue reliance should not be placed on forward looking information. Forward looking information is subject to various risks described in the Simplified Prospectus, uncertainties, and assumptions about the Fund, capital markets and economic factors, which could cause actual results to vary and in some instances to differ materially from those anticipated by the portfolio advisor and expressed in this report. Material risk 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. The foregoing list of risk factors is not exhaustive.

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

## Management Discussion of Fund Performance

### Investment Objectives and Strategies

The investment objective of the Mawer Canadian Bond Fund (the "Fund") is to invest for interest income and capital returns primarily from bonds and debentures of Canadian government and corporate issuers. The Fund is primarily invested in a diversified portfolio of high-quality Canadian government and corporate bonds. The Fund may also invest in mortgage-backed securities, asset-backed securities or foreign securities.

The Manager focuses on security, sector, credit and curve analysis in making investment decisions. Investment considerations may include interest rates, yield spreads, exchange rates, structures, credit spread and fundamental analysis of sovereign, government, corporate and structured finance issuers. For consistency of style, risk and return, only Canadian dollar securities are held with a minimum of 40% in government bonds. To limit the risk associated with unexpected movements in interest rates, the duration of the portfolio is limited to within 1 year of our benchmark, the FTSE Canada Universe Bond Index.

### Risk

The risk level of the Fund did not change during the year. The risks of investing in the Fund remain as discussed in the Prospectus. The Fund is suitable for investors seeking income returns with low risk. The major risks for the Fund are interest rate risk and credit risk. To reduce interest rate risk we constrain the duration of the portfolio within narrow limits versus our benchmark. To reduce credit risk in the portfolio, the Fund only holds investment grade securities and diversifies corporate holdings by issuer and sector. We perform in-depth credit analysis and place a 5% limit on individual corporate issuer exposure.

### Results of Operations

The Fund's net assets decreased 9.2% to \$3,346.8 million from \$3,687.1 million at December 31, 2025. Of this change, \$95.7 million is attributable to positive investment performance and -\$436.0 million was due to net redemptions to the Fund.

The Manager assesses the Fund's underlying securities for liquidity on a quarterly basis. During the period the Fund has remained in compliance with National Instrument 81-102 and has maintained an illiquid concentration of less than 10% of the Fund's Net Asset Value. During the period there were no notable redemptions to the Fund that affected its liquidity.

### *Performance Overview*

Over the twelve-month period, the Fund's Series A Units' return was 2.1% (after fees and expenses) compared to the FTSE Canada Universe Bond Index return of 2.6%. All performance values provided are in Canadian dollar terms. Overall, the level of interest rates were lower in the short part of the curve, offset by 10-year yields that were higher on the year.

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# Mawer Canadian Bond Fund

## Portfolio Drivers and Positioning

The Bank of Canada (BoC) lowered its overnight rate by a total of 100 bps in 2025, with the rate now sitting at 2.25%. This is at the lower end of the neutral range and the BoC has said the current policy rate is at about the right level. Economic growth came in better than expected in Q3 but largely reflected trade volatility and demand has not improved. Inflation has evolved largely as the BoC expected with upward pressures contained so far. There were encouraging signs in the recent job reports, but company surveys indicate muted hiring intentions. Lastly, the BoC highlighted continued uncertainty with the unpredictability of U.S. trade policy and the upcoming USMCA review.

The Canadian budget was also announced, with potential long-term implications for both growth and inflation (and therefore monetary policy). The deficit is projected to be 2.5% GDP in 2026, falling to ~1% of GDP over the next few years. Importantly, future deficits are touted to come from infrastructure spending rather than program spending. A return to fiscal discipline and productive infrastructure investments would be a major positive for future economic growth and Canadian investment returns.

Rate exposure was the largest contributor to relative performance for the year, as the yield curve steepener position added value for the first three quarters of 2025 (shorter bonds outperforming longer bonds). Credit positioning-at both a sector and security selection level-also modestly added to portfolio performance

## Market Outlook

Economic growth and other key indicators continue to be anemic in Canada, signaling a growing risk of recession. Inflation remains above target but if a weak growth outlook persists, disinflation is more likely to follow. This should give the BoC the green light to resume rates cuts in 2026, which should also help steepen the yield curve.

Not much has changed on the corporate credit valuation front. Pricing remains rich and when coupled with a potentially weakening growth backdrop, the manager's view is that disciplined, conservative positioning remains warranted.

## Recent Developments

There are no recent developments to report related to the strategic positioning of the Fund, the Manager, or the policies of the Independent Review Committee.

## Related Party Transactions – Management Fees

The Portfolio Advisor receives management fees of 0.60% per annum for Series A Units of the Fund. The management fee is calculated daily at the rate of 1/365 (or 1/366 in a leap year) as the percentage of aggregate net asset value of the Series A Units of the Fund as of the last Valuation Date. The fee accrues daily and is paid monthly in arrears. Management fees for Series O and Series S Units are payable directly to the Manager by investors and dealers respectively and not by the Fund.

The Manager of the Fund has 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, 2025 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 Accounting Standards.

### The Fund's Net Asset Value (NAV) per Unit<sup>1</sup>

SERIES A	2025	2024	2023	2022	2021
Net Assets, beginning of year	11.77	11.66	11.28	13.11	13.77
<b>Increase (decrease) from operations:</b>					
Total revenue	0.39	0.42	0.39	0.34	0.33
Total expenses	(0.08)	(0.08)	(0.08)	(0.08)	(0.09)
Realized gains (losses) for the year	(0.05)	(0.03)	(0.60)	(0.65)	(0.15)
Unrealized gains (losses) for the year	(0.01)	0.13	0.97	(1.23)	(0.54)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.25</b>	<b>0.44</b>	<b>0.68</b>	<b>(1.62)</b>	<b>(0.45)</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.31)	(0.35)	(0.31)	(0.26)	(0.24)
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total Annual Distributions <sup>3</sup>	(0.31)	(0.35)	(0.31)	(0.26)	(0.24)
<b>Net Assets, end of year</b>	<b>11.70</b>	<b>11.77</b>	<b>11.66</b>	<b>11.28</b>	<b>13.11</b>

SERIES O	2025	2024	2023	2022	2021
Net Assets, beginning of year	10.96	10.86	10.50	12.21	12.82
<b>Increase (decrease) from operations:</b>					
Total revenue	0.36	0.40	0.36	0.31	0.30
Total expenses	-	-	-	-	-
Realized gains (losses) for the year	(0.05)	(0.03)	(0.56)	(0.61)	(0.14)
Unrealized gains (losses) for the year	(0.01)	0.11	0.88	(1.09)	(0.42)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.30</b>	<b>0.48</b>	<b>0.68</b>	<b>(1.39)</b>	<b>(0.26)</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.37)	(0.40)	(0.36)	(0.32)	(0.30)
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total Annual Distributions <sup>3</sup>	(0.37)	(0.40)	(0.36)	(0.32)	(0.30)
<b>Net Assets, end of year</b>	<b>10.89</b>	<b>10.96</b>	<b>10.86</b>	<b>10.50</b>	<b>12.21</b>

# Mawer Canadian Bond Fund

SERIES S	2025	2024	2023	2022	2021
Net Assets, beginning of year	10.71	10.60	10.25	11.90	12.00
<b>Increase (decrease) from operations:</b>					
Total revenue	0.36	0.39	0.35	0.31	0.16
Total expenses	-	-	-	-	-
Realized gains (losses) for the year	(0.03)	(0.02)	(0.55)	(0.60)	(0.06)
Unrealized gains (losses) for the year	(0.03)	0.14	0.87	(0.73)	0.01
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.30</b>	<b>0.51</b>	<b>0.67</b>	<b>(1.02)</b>	<b>0.11</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.35)	(0.38)	(0.34)	(0.30)	(0.25)
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total Annual Distributions <sup>3</sup>	(0.35)	(0.38)	(0.34)	(0.30)	(0.25)
<b>Net Assets, end of year</b>	<b>10.65</b>	<b>10.71</b>	<b>10.60</b>	<b>10.25</b>	<b>11.90</b>

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

<sup>(2)</sup> 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 year.

<sup>(3)</sup> Distributions were reinvested in additional units of the Fund and/or paid in cash.

## Ratios and Supplemental Data

SERIES A	2025	2024	2023	2022	2021
Total net asset value (000's) <sup>1</sup>	97,836	119,546	122,871	120,982	152,041
Number of units outstanding (000's) <sup>1</sup>	8,364	10,157	10,534	10,727	11,595
Management expense ratio <sup>2</sup>	0.68%	0.68%	0.68%	0.68%	0.67%
Management expense ratio before waivers or absorptions	0.68%	0.68%	0.68%	0.68%	0.67%
Portfolio turnover rate <sup>3</sup>	107.68%	110.06%	140.61%	108.86%	132.10%
<b>Net asset value per unit<sup>4</sup></b>	<b>11.70</b>	<b>11.77</b>	<b>11.66</b>	<b>11.28</b>	<b>13.11</b>

SERIES O	2025	2024	2023	2022	2021
Total net asset value (000's) <sup>1</sup>	2,791,832	3,209,956	3,372,099	3,375,867	3,987,541
Number of units outstanding (000's) <sup>1</sup>	256,325	292,905	310,544	321,487	326,639
Management expense ratio <sup>2</sup>	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%
Portfolio turnover rate <sup>3</sup>	107.68%	110.06%	140.61%	108.86%	132.10%
<b>Net asset value per unit<sup>4</sup></b>	<b>10.89</b>	<b>10.96</b>	<b>10.86</b>	<b>10.50</b>	<b>12.21</b>

SERIES S	2025	2024	2023	2022	2021
Total net asset value (000's) <sup>1</sup>	457,155	357,740	297,290	264,078	134,750
Number of units outstanding (000's) <sup>1</sup>	42,935	33,416	28,039	25,761	11,320
Management expense ratio <sup>2</sup>	0.03%	0.03%	0.02%	0.02%	0.02%
Management expense ratio before waivers or absorptions	0.03%	0.03%	0.02%	0.02%	0.02%
Portfolio turnover rate <sup>3</sup>	107.68%	110.06%	140.61%	108.86%	132.10%
<b>Net asset value per unit<sup>4</sup></b>	<b>10.65</b>	<b>10.71</b>	<b>10.60</b>	<b>10.25</b>	<b>11.90</b>

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

<sup>(2)</sup> Management expense ratio is based on total expenses for the stated year and is expressed as an annualized percentage of daily average net assets during the year.

<sup>(3)</sup> The Fund's portfolio turnover rate indicates how actively the Fund's Portfolio Advisors manage 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.

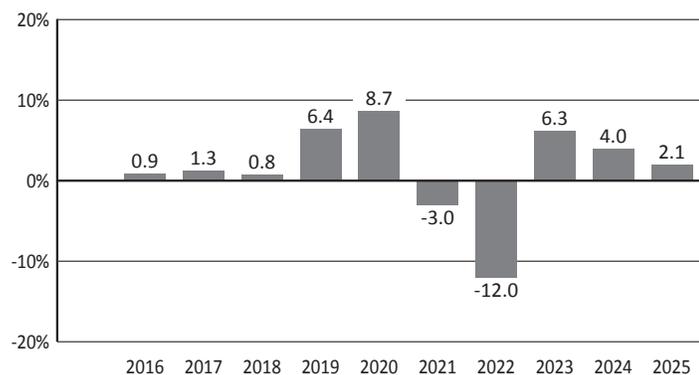
The past performance of the Fund is set out in the following charts.

# Mawer Canadian Bond Fund

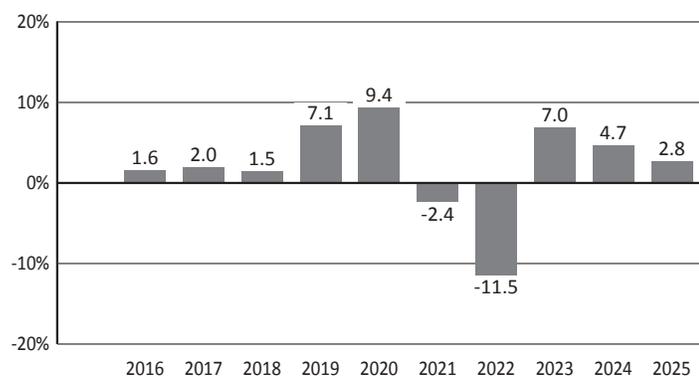
## Year-by-Year Returns

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.

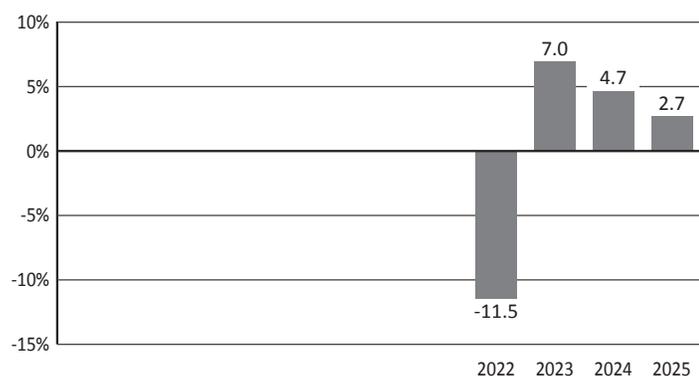
### Series A<sup>(\*)</sup>



### Series O<sup>(\*)</sup>



### Series S<sup>(\*)</sup>



<sup>(\*)</sup> Series A start date was June 21, 1991; Series O start date was December 1, 2004; Series S start date was June 14, 2021.

## Annual Compound Returns

The following table shows the historical annual compound total return of units of the Fund for the periods shown ending on December 31, 2025. The annual compound total return is also compared to the FTSE Canada Universe Bond Index calculated on the same compound basis.

	1 Year	3 Year	5 Year	10 Year	Since Inception
Mawer Canadian Bond Fund – Series A	2.1%	4.1%	(0.8)%	1.4%	4.9%
FTSE Canada Universe Bond Index	2.6%	4.5%	(0.4)%	1.9%	5.8%
Mawer Canadian Bond Fund – Series O	2.8%	4.8%	(0.1)%	2.1%	3.7%
FTSE Canada Universe Bond Index	2.6%	4.5%	(0.4)%	1.9%	3.6%
Mawer Canadian Bond Fund – Series S	2.7%	4.8%	-	-	0.7%
FTSE Canada Universe Bond Index	2.6%	4.5%	-	-	0.5%

<sup>(\*)</sup> Series A start date was June 21, 1991; Series O start date was December 1, 2004; Series S start date was June 14, 2021.

The FTSE Canada Universe Bond Index is designed to be a broad measure of the performance of the Canadian investment-grade fixed income market, covering bonds with term to maturity of more than one year. The purpose of this index is to reflect performance of the broad Canadian bond market. All index returns are calculated in Canadian dollars on a total return basis, meaning that all distributions are reinvested.

## Summary of Investment Portfolio

A summary of the Fund as at December 31, 2025 is as follows:

Asset Allocation	% of Net Assets
<b>Fixed Income</b>	
Corporate	41.27%
Federal	25.53%
Municipal	1.12%
Provincial	31.46%
Cash Equivalents	0.09%
Other Net Assets (Liabilities)	0.53%
<b>Total</b>	<b>100.00%</b>

Sector Allocation	% of Net Assets
<b>Fixed Income</b>	
Corporate	
Communication	3.80%
Energy	8.53%
Financial	19.19%
Industrial	5.27%
Infrastructure	4.48%
Federal	25.53%
Municipal	1.12%
Provincial	31.46%
Cash Equivalents	0.09%
Other Net Assets (Liabilities)	0.53%
<b>Total</b>	<b>100.00%</b>

## Mawer Canadian Bond Fund

Fixed Income by Credit Rating	% of Fixed Income
AAA	26.72%
AA	28.66%
A	34.60%
BBB	10.02%
<b>Total</b>	<b>100.00%</b>

The following table lists the 25 largest holdings of the Fund (or all holdings if the total number of holdings is less than 25) as at December 31, 2025.

Issuer	% of Net Assets
Province of Quebec 3.60% Sep 01/33	5.27%
Government of Canada 2.00% Dec 01/51	4.92%
Canada Housing Trust No. 1 2.85% Dec 15/30	4.88%
Province of Ontario 3.65% Jun 02/33	4.22%
Canada Housing Trust No. 1 1.10% Mar 15/31	3.32%
Canada Housing Trust No. 1 2.15% Dec 15/31	3.19%
Canada Housing Trust No. 1 2.85% Jun 15/30	3.18%
Government of Canada 1.50% Jun 01/31	2.68%
Bank of Montreal 4.42% Jul 17/29	2.48%
Province of Ontario 2.95% Sep 08/30	2.32%
Province of Ontario 3.80% Dec 02/34	2.16%
Province of Alberta 3.10% Jun 01/50	2.12%
North West Redwater Partnership / NWR Financing Company Ltd. 2.80% Jun 01/31	2.01%
Verizon Communications Inc. 2.38% Mar 22/28	2.01%
Province of Ontario 2.90% Dec 02/46	1.95%
Canadian National Railway Company 4.60% May 02/29	1.82%
Government of Canada 3.50% Dec 01/57	1.80%
Bank of Montreal 4.54% Dec 18/28	1.77%
Province of Alberta 3.05% Dec 01/48	1.63%
The Toronto-Dominion Bank 3.61% Sep 10/31	1.63%
Province of Ontario 2.80% Jun 02/48	1.56%
Royal Bank of Canada 4.63% May 01/28	1.53%
Canadian Pacific Railway Company 2.54% Feb 28/28	1.52%
North West Redwater Partnership / NWR Financing Company Ltd. 4.25% Jun 01/29	1.50%
Province of Quebec 3.10% Dec 01/51	1.43%
<b>Total</b>	<b>62.90%</b>

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](mailto:info@mawer.com). The Prospectus and other information about the underlying mutual fund(s) are available online at [www.sedarplus.com](http://www.sedarplus.com) and [www.mawer.com](http://www.mawer.com).