

Annual Management Report of Fund Performance

For the Year Ended December 31, 2016

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 1-888-549-6248, 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, proxy voting disclosure record, or quarterly portfolio disclosure.

Management Discussion of Fund Performance

Investment Objective and Strategies

The Mawer Global Balanced Fund (the "Fund") aims to protect and grow investors' capital through capital appreciation and the receipt of dividend and interest income. The Fund invests in treasury bills and commercial paper, corporate and government bonds, global equities, and other Mawer Funds.

The Manager examines current market statistics and makes an assessment of future outcomes based upon a probability-based scenario analysis. Using these techniques the Manager constructs the asset mix. Bonds are chosen with a view to the appropriate term, credit quality, and issuer depending upon the expected direction of interest rates, the interest rate spreads between different sectors of bonds, and the expected state of financial conditions for the issuer. In equities we search for wealth-creating companies whose equities can be purchased at a discount to their intrinsic value.

Risk

This Fund is suitable for investors seeking long-term growth and who have a moderate 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. Since this Fund invests in Series O units of other Mawer Mutual Funds there are two additional risks: multi-class risk and fund on fund risk.

The Manager limits the risk of investing in a single asset class by limiting the amount invested in equities in any one particular industry, and by limiting the percentage of the Fund that can be shifted in a single move from one asset class to another.

Given the difficulty in consistently predicting interest rate moves, we limit exposure to this risk factor. In setting policy, the Canadian bond portfolio's duration is set within 0.5 years on either side of the index, while the duration for the global bond portfolio has a maximum limit of 8 years. As of December 31, 2016, the Mawer Canadian Bond Fund's duration was 7.38 years compared to the FTSE TMX Canada Universe Bond Index duration

of 7.39 years. The duration of the Mawer Global Bond Fund was 5.84 years as of December 31, 2016. From an exposure perspective, the weight of the Canadian fixed income portfolio within the Fund, decreased from 30.9%, at the start of the year, to 29.6%, at the end of the year (these numbers include the Canadian treasury-bills held in other Mawer Funds). In contrast, the weight of the global fixed income portfolio within the Fund decreased to 8.9% from 10.1%.

The Fund's exposure to foreign equities (outside of Canada) increased to 56.0% from 55.0%. The Fund's equity holdings are in ten of the eleven GICS sectors and are most heavily weighted to Financials (27.1% of the equity weight), Industrials (14.3%) and Health Care (12.1%). The combined exposure of the equity weight to the top three sectors is 53.5%, which is in line with the weight at the end of 2015.

Results of Operations

The Fund's net assets increased 170.9% to \$672.8 million from \$248.4 million at the end of 2015. Of this change, \$11.3 million was attributable to positive investment performance and \$413.1 million was due to net contributions into the Fund.

The Fund's A Series units returned -0.6% in 2016 versus 2.0% for the blended global balanced benchmark. The Fund's return is after the deduction of management fees and in Canadian dollar terms. At the start of 2015, the blended global balanced benchmark consisted 20% FTSE TMX Canada Universe Bond Index; 20% Citi World Government Bond Index; and 60% MSCI World Index (Net, CAD). On October 1, 2016, the global equity benchmark changed. As of October 1, 2016 the blended benchmark consisted of 20% FTSE TMX Canada Universe Bond Index; 20% Citi World Government Bond Index; and 60% MSCI AWCI Index (Net, CAD).

The Fund's negative relative return is attributable to security selection in the global equities. Negative selection was driven by underperformance of holdings in Materials and Information Technology, with NCC Group PLC and Croda International Inc., being the top detractors in their respective sectors. When examining security selection geographically, portfolio holdings in Europe and the UK, detracted the most from security selection. The Fund's distribution across asset classes relative to the blended benchmark was essentially flat over the period.

Recent Developments

The equity market's optimistic reaction to Trump's victory has been well documented in the media. However, details regarding the Trump administration's policy changes are, to a large degree, still forthcoming. We have noted that populism has emerged as a global theme, highlighted most prominently by the Trump campaign and Brexit referendum results.

Central banks in Japan, Europe, the U.K. and China continued to loosen monetary policy over the course of the year, despite many leaders publicly acknowledging that the effectiveness of accommodative policies may be reaching its limit. The U.S. Fed

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remained the only major central bank contemplating rate increases in 2016 and did so in December.

Economic uncertainty in China remains a global concern going forward. The critical factors continue to be elevated levels of unrealized potential losses on bad debt in the financial system and industrial overcapacity. While these conditions do not necessitate a banking crisis, they seem to increase the probability of a negative event.

OPEC reached a long-awaited agreement to cut oil production. The agreement reduces global output to 32.5 million barrels per day while giving Iran room to raise production. Non-OPEC countries were also asked to cut production by approximately 600,000 barrels per day. The agreement was an incremental positive for oil producers and may contribute to boosting inflation in certain countries (at the margin). The verdict is out whether countries remain committed to achieving their respective targets.

We remain cautious in the current economic environment. This caution is why we are maintaining a neutral weight across cash, bonds and equities and why we continue to de-emphasize asset classes that are historically more volatile. As long-term investors, it is important that we keep our focus on the long-run and maintain broadly diversified portfolios.

Related Party Transactions – Management Fees

As Portfolio Advisor to the Fund, Mawer Investment Management Ltd. (“Mawer”) receives management fees which are calculated for the Series A Units as 0.95% 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, 2016 the Fund owes Mawer \$6,547 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.

The Fund’s Net Asset Value (NAV) per Unit

| SERIES A | 2016 | 2015 | 2014 | 2013 |
|--|--------------|--------------|--------------|--------------|
| Net Assets, beginning of year | 13.68 | 12.07 | 10.93 | 10.00 |
| Increase (decrease) from operations: | | | | |
| Total revenue | 0.29 | 0.32 | 0.28 | 0.11 |
| Total expenses | (0.17) | (0.17) | (0.17) | (0.10) |
| Realized gains (losses) for the year | 0.07 | 0.07 | 0.07 | - |
| Unrealized gains (losses) for the year | (0.18) | 1.37 | 1.11 | 1.27 |
| Total increase (decrease) from operations¹ | 0.01 | 1.59 | 1.29 | 1.28 |
| Distributions: | | | | |
| From income (excluding dividends) | (0.12) | (0.10) | (0.13) | (0.01) |
| From dividends | (0.01) | (0.03) | - | - |
| From capital gains | - | (0.02) | - | - |
| Return of capital | - | - | - | - |
| Total Distributions² | (0.13) | (0.15) | (0.13) | (0.01) |
| Net Assets, end of year | 13.46 | 13.68 | 12.07 | 10.93 |

| SERIES O | 2016 | 2015 | 2014 | 2013 |
|--|--------------|--------------|--------------|--------------|
| Net Assets, beginning of year | 13.65 | 12.12 | 10.94 | 10.00 |
| Increase (decrease) from operations: | | | | |
| Total revenue | 0.30 | 0.32 | 0.29 | 0.11 |
| Total expenses | (0.03) | (0.02) | (0.05) | (0.02) |
| Realized gains (losses) for the year | 0.09 | 0.07 | 0.07 | - |
| Unrealized gains (losses) for the year | 0.05 | 1.46 | 1.05 | 1.30 |
| Total increase (decrease) from operations¹ | 0.41 | 1.83 | 1.36 | 1.39 |
| Distributions: | | | | |
| From income (excluding dividends) | (0.22) | (0.20) | (0.24) | (0.05) |
| From dividends | (0.01) | (0.06) | - | - |
| From capital gains | (0.01) | (0.09) | - | - |
| Return of capital | - | - | - | - |
| Total Distributions² | (0.24) | (0.35) | (0.24) | (0.05) |
| Net Assets, end of year | 13.47 | 13.65 | 12.11 | 10.94 |

(1) 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.

(2) Distributions were reinvested in additional units of the Fund.

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Ratios and Supplemental Data

| SERIES A | 2016 | 2015 | 2014 | 2013 |
|--|---------|---------|--------|--------|
| Net Assets (000's) ¹ | 219,654 | 162,207 | 39,040 | 12,872 |
| Number of units outstanding (000's) ¹ | 16,315 | 11,861 | 3,235 | 1,178 |
| Management expense ratio ² | 1.15% | 1.13% | 1.15% | 1.15% |
| Management expense ratio before waivers or absorptions | 1.15% | 1.13% | 1.24% | 1.93% |
| Portfolio turnover rate ³ | 14.07% | 11.39% | 16.94% | 1.93% |
| Trading expense ratio ⁴ | 0.07% | 0.09% | 0.08% | 0.31% |
| Closing market price or pricing NAV, (if applicable) | 13.46 | 13.68 | 12.07 | 10.93 |

| SERIES O | 2016 | 2015 | 2014 | 2013 |
|--|---------|--------|--------|--------|
| Net Assets (000's) ¹ | 453,133 | 86,232 | 40,223 | 20,908 |
| Number of units outstanding (000's) ¹ | 33,629 | 6,316 | 3,319 | 1,911 |
| Management expense ratio ² | 0.06% | 0.08% | 0.07% | 0.07% |
| Management expense ratio before waivers or absorptions | 0.06% | 0.08% | 0.18% | 0.48% |
| Portfolio turnover rate ³ | 14.07% | 11.39% | 16.94% | 1.93% |
| Trading expense ratio ⁴ | 0.07% | 0.09% | 0.08% | 0.31% |
| Closing market price or pricing NAV, (if applicable) | 13.47 | 13.65 | 12.11 | 10.94 |

- (1) This information is provided as at December 31 of the year shown, as applicable.
- (2) 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.
- (3) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser 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.
- (4) 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.

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.

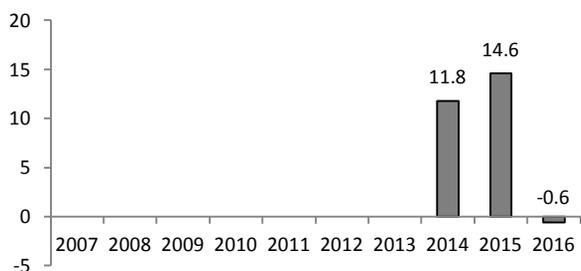
The Fund's performance numbers assume that all distributions are reinvested in additional units of the Fund. If you hold this Fund outside of a registered plan, income and capital gains distributions that are paid to you increase your income for tax purposes whether paid to you in cash or reinvested 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.

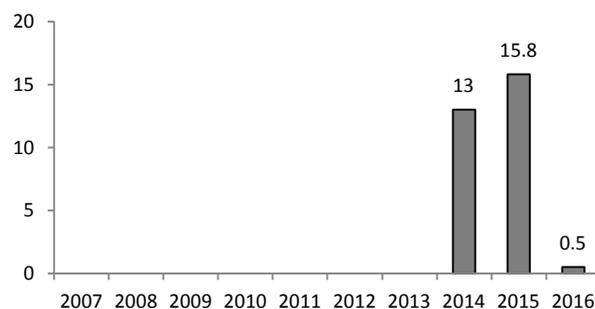
Year-by-Year Returns

The bar charts below show the Fund's annual performance in each of the past 10 years to December 31, 2016. 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. The Fund's start date was July 2, 2013.

Series A



Series O



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Annual Compound Returns

The following table shows the historical annual compound total return of the Fund for the periods shown ending on December 31, 2016. The annual compound total return is also compared to the Internal Global Balanced Benchmark (GB Benchmark) calculated on the same compound basis. All index returns are calculated in Canadian dollars on a total return basis, meaning that all distributions are reinvested.

| | Series A units (%) | Series O units (%) | Internal Global Balanced Benchmark (%) |
|-------------|-----------------------|-----------------------|--|
| One Year | -0.6 | 0.5 | 2.0 |
| Three Years | 8.4 | 9.6 | 8.7 |
| Five Years | - | - | - |
| Ten Years | - | - | - |

* Series A and Series O start date was July 2, 2013.

The Internal Global Balanced Benchmark (GB Benchmark) is a benchmark prepared by the Manager and is designed to reflect the average asset mix of a universe of balanced fund managers which consists of the FTSE TMX Canada 91-day T-Bill Index (5%); FTSE TMX Canada Universe Bond Index (35%), index designed to reflect the Canadian bond market; Morgan Stanley Capital All Country World Index (MSCI ACWI) (60%), index designed to reflect global stock markets.

Summary of Investment Portfolio

A summary of the Fund as at December 31, 2016 is as follows:

| | % |
|-------------------------|--------------|
| Cash | 0.0 |
| Total cash | 0.0 |
| Treasury bills | 5.4 |
| Total short-term | 5.4 |
| Fixed Income | 34.1 |
| Equities | |
| Asia | 6.8 |
| Europe | 16.1 |
| Middle East | 1.0 |
| North America | 36.4 |
| South Pacific | 0.2 |
| Total equities | 60.5 |
| Total portfolio | 100.0 |

Totals may not add to 100% due to rounding.

The following table lists the largest holdings of the Fund as at December 31, 2016.

| Issuer | Percentage of Transactional Net Asset Value |
|--|---|
| Mawer Canadian Bond Fund 'O' | 23.6% |
| Mawer Global Bond Fund 'O' | 10.2% |
| Wells Fargo & Company | 2.5% |
| Alphabet Inc. | 2.4% |
| Becton, Dickinson and Company | 2.3% |
| Aon PLC Cl. A | 2.3% |
| IHS Markit, Ltd. | 2.0% |
| Verizon Communications Inc. | 1.9% |
| JPMorgan Chase & Co. | 1.7% |
| BlackRock, Inc. | 1.6% |
| S&P Global, Inc. | 1.6% |
| China Mobile Limited | 1.5% |
| Roche Holding AG | 1.4% |
| Novartis AG ADR | 1.4% |
| Johnson & Johnson | 1.2% |
| Constellation Software Inc. | 1.2% |
| Deutsche Boerse AG | 1.2% |
| The Procter & Gamble Company | 1.1% |
| Brookfield Asset Management Inc. Cl. A | 1.0% |
| DCC PLC | 1.0% |
| Lawson, Inc. | 1.0% |
| Intertek Group PLC | 1.0% |
| WPP PLC | 1.0% |
| Nihon Kohden Corp. | 0.9% |
| Praxair, Inc. | 0.9% |

The investments and percentages may have changed by the time you purchase units of this fund. The top holdings are made available quarterly, 60 days after quarter-end and may be obtained by contacting your registered representative or by contacting Mawer toll-free at 1-888-549-6248 or by email at info@mawer.com.