

Leith Wheeler Carbon Constrained Canadian Equity Fund

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE
December 31, 2018



This annual management report of fund performance contains financial highlights, but does not contain complete annual financial statements of the investment fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling 1-888-292-1122, by writing to us at 1500 – 400 Burrard Street, Vancouver, BC V6C 3A6 or by visiting our website at www.leithwheeler.com or SEDAR at www.sedar.com.

Securityholders may also contact us using one of these 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

To provide superior long-term investment returns by investing primarily in a diversified portfolio of common shares and other equity related securities of Canadian issuers, while excluding companies with significant activity in the fossil fuel industries.

We utilize a value approach to stock selection, applying bottom-up, fundamental analysis to all investment decisions. Our investment goal is to protect our clients' capital while offering superior investment growth, regardless of economic conditions. We seek to invest in solid companies run by strong management teams that can navigate variable market conditions.

The Fund will not invest in companies which derive greater than 30% of their revenue from the extraction or sale of fossil fuels, or from royalties earned from third parties performing such activities. The Fund will not invest in companies which derive greater than 30% of their revenue from services (including transportation and refining) provided to companies involved in the extraction or sales of fossil fuels. The Fund will not invest in companies which derive greater than 30% of their revenue from the sale of power produced from the consumption of fossil fuels.

Risk

The overall risks of investing in the Fund are as described in the Simplified Prospectus. There were no material changes to the Fund during the year that affected the overall level of risk.

Results of Operations

The Fund's net assets increased by 323.5% in 2018 to \$7.2 million from \$1.7 million at the end of 2017. Of this change, \$0.6 million was attributable to investment loss and \$6.1 million to net inflows.

The Carbon Constrained Canadian Equity Fund was launched on September 27, 2017, however, Series B and Series F of the Fund were not offered under Simplified Prospectus until May 25, 2018.

When the Carbon Constrained Canadian Equity Fund was launched, it was benchmarked against the S&P/TSX 60 Fossil Fuel Free Carbon Efficient Select (Total Return) Index. This index was decommissioned as of August 31, 2018. Going forward the benchmark index for this Fund will be the S&P/TSX 60 Fossil Fuel Free (Total Return) Index.

The Carbon Constrained Canadian Equity Fund has underperformed its benchmark since May 25, 2018. Series A of the fund decreased -9.0%, Series B of the Fund decreased -9.8% after fees and expenses, and Series F of the Fund decreased -9.5% after fees and expenses.

The S&P/TSX 60 Fossil Fuel Free Index (the Index) declined -5.4% from the end of May 2018 through December 2018. Eight of the 10 sectors delivered negative returns with Consumer Discretionary (-16.8%), Health Care (-11.5%) and Financials (-7.9%) bringing in the most disappointing results. On the positive side, Consumer Staples (+11.0%) and Communication Services (+5.7%) led Index returns

Among the top contributors to the Fund's performance since May 25, 2018 was Cameco (+16.0%). Cameco has performed well as supply cuts announced in late 2017 have worked to alleviate the oversupplied uranium market and support the commodity price this year. More recently, the Tax Court of Canada ruled in Cameco's favour regarding tax disputed with the CRA over transfer pricing methods used in 2003, 2005, and 2006, which has reduced some uncertainty overhanging the stock. In contrast, CI Financial (-29.2%) detracted from performance. CI Financial reported higher-than-expected redemptions in its asset management business in early 2018. In the third quarter the company announced that they would be cutting their dividend by 50% looking to change the balance of shareholder returns from dividends to buybacks. Shares continue to trade at an attractive valuation for a company that has a very strong balance sheet and generates a high return on equity.

There was one name added to the Fund since May 25, 2018. Great West Life was added to the portfolio at the end of the third quarter. The company offers life and health insurance, as well as retirement and asset management services to customers in Canada, the US, and Europe. GWL has a long track record of profitability, growth, and resiliency. In the last ten years, the company has generated an average return-on-equity of around 15%, while also taking a conservative approach to actuarial assumptions in its insurance business. Insurance companies, including GWL, have underperformed and this created an opportunity for us to buy the company at an attractive valuation.

There was one name eliminated from the Fund since May 25, 2018. We exited our position in Stantec. The company has reported several weak quarters this year due in large part to its construction services division. As problems with this division persisted, Stantec put it under strategic review and eventually sold it to a private equity firm in the fourth quarter. The stock reacted positively to the sale and we took the opportunity to exit the name.

Looking forward, we remain focused on investing in solid businesses trading at attractive valuations that we expect to be profitable over the long term. The market sell-off that ended 2018 has created more opportunities than alarm bells and allowed us to add to great companies in the Fund at attractive valuations.

Management Discussion of Fund Performance (cont.)

Recent Developments

The Canadian Equity market rebounded from a majority of its fourth quarter losses in January 2019.

Related Party Transactions

Leith Wheeler Investment Counsel Ltd. (the “Manager”) is the manager and portfolio advisor of the Fund and is responsible for the Fund’s day-to-day operations. The Fund pays the Manager a management fee as compensation for managing the investment portfolio of the Fund.

Management Fees

The Manager provides the Fund with investment management services, including fund accounting and unitholder record keeping. In return, the Manager receives a management fee based on the net assets of the Fund, calculated on a daily basis. The annualized management fee for the Series B and Series F units of the Fund are 1.40% and 0.95%, respectively. During the year, the Fund paid the Manager \$3,933 for Series B and \$823 for Series F (exclusive of GST/HST) of its net assets as management fees. The Fund does not reimburse the Manager for operating costs incurred in administering the Fund. The Manager paid all operating expenses except brokerage commissions, transaction charges and taxes. In respect of Series A units, the unitholder pays the Manager a negotiated management fee outside the Fund.

We do not, directly or indirectly, pay fees, sales commissions or trailing commissions, nor do we provide any non-monetary benefits to registered dealers for distributions of units of the Fund. If a broker charges you a commission or fee, that is a matter between you and the dealer.

Financial Highlights

The Fund's Net Assets Attributable to Holders of Redeemable Units per Unit

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 or for the periods since inception. This information is derived from the Fund's audited annual financial statements.

Series A (inception September 27, 2017)	2018	2017	2016	2015	2014
Net assets attributable to holders of redeemable units - per unit, beginning of year ⁽¹⁾⁽³⁾	\$10.57	\$10.00	n/a	n/a	n/a
Increase (decrease) from operations:					
Total revenue	0.28	0.07	n/a	n/a	n/a
Total expenses	-	-	n/a	n/a	n/a
Realized gains (losses) for the year	0.06	0.02	n/a	n/a	n/a
Unrealized gains (losses) for the year	(1.82)	0.49	n/a	n/a	n/a
Total increase (decrease) from operations ⁽¹⁾	(1.48)	0.58	n/a	n/a	n/a
Distributions:					
From income (excluding dividends)	-	-	n/a	n/a	n/a
From dividends	(0.22)	(0.06)	n/a	n/a	n/a
From capital gains	(0.04)	(0.01)	n/a	n/a	n/a
Return of capital	-	-	n/a	n/a	n/a
Total Annual Distributions ⁽²⁾	(0.26)	(0.07)	n/a	n/a	n/a
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$9.52	\$10.57	n/a	n/a	n/a

Series B (inception September 27, 2017)	2018	2017	2016	2015	2014
Net assets attributable to holders of redeemable units - per unit, beginning of year ⁽¹⁾⁽³⁾	\$10.57	\$10.00	n/a	n/a	n/a
Increase (decrease) from operations:					
Total revenue	0.29	0.08	n/a	n/a	n/a
Total expenses	(0.18)	(0.06)	n/a	n/a	n/a
Realized gains (losses) for the year	0.06	0.03	n/a	n/a	n/a
Unrealized gains (losses) for the year	(1.89)	0.55	n/a	n/a	n/a
Total increase (decrease) from operations ⁽¹⁾	(1.72)	0.60	n/a	n/a	n/a
Distributions:					
From income (excluding dividends)	-	-	n/a	n/a	n/a
From dividends	(0.11)	(0.02)	n/a	n/a	n/a
From capital gains	(0.04)	(0.01)	n/a	n/a	n/a
Return of capital	-	-	n/a	n/a	n/a
Total Annual Distributions ⁽²⁾	(0.15)	(0.03)	n/a	n/a	n/a
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$9.48	\$10.57	n/a	n/a	n/a

Financial Highlights (cont.)

The Fund's Net Assets Attributable to Holders of Redeemable Units per Unit (cont.)

Series F (inception September 27, 2017)	2018	2017	2016	2015	2014
Net assets attributable to holders of redeemable units - per unit, beginning of year ⁽¹⁾⁽³⁾	\$10.57	\$10.00	n/a	n/a	n/a
Increase (decrease) from operations:					
Total revenue	0.22	0.07	n/a	n/a	n/a
Total expenses	(0.01)	-	n/a	n/a	n/a
Realized gains (losses) for the year	0.06	0.02	n/a	n/a	n/a
Unrealized gains (losses) for the year	(1.45)	0.52	n/a	n/a	n/a
Total increase (decrease) from operations ⁽¹⁾	(1.18)	0.61	n/a	n/a	n/a
Distributions:					
From income (excluding dividends)	-	-	n/a	n/a	n/a
From dividends	(0.09)	(0.03)	n/a	n/a	n/a
From capital gains	(0.04)	(0.01)	n/a	n/a	n/a
Return of capital	-	-	n/a	n/a	n/a
Total Annual Distributions ⁽²⁾	(0.13)	(0.04)	n/a	n/a	n/a
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$9.54	\$10.57	n/a	n/a	n/a

(1) Net assets attributable to holders of redeemable units 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.

(2) Distributions are reinvested in additional units of the Fund or paid in cash.

(3) From September 27, 2017, inception date of Series A, B and F units of the Fund.

Financial Highlights (cont.)

Ratios and Supplemental Data

Series A (inception September 27, 2017)	2018	2017	2016	2015	2014
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	6,498	1,577	n/a	n/a	n/a
Number of units outstanding (000s) ⁽¹⁾	683	149	n/a	n/a	n/a
Management expense ratio (%) ⁽²⁾	-	-	-	-	-
Management expense ratio before waivers or absorptions (%)	0.41	0.50	n/a	n/a	n/a
Trading expense ratio (%) ⁽³⁾	0.11	0.07	n/a	n/a	n/a
Portfolio turnover rate (%) ⁽⁴⁾	9.21	11.64	n/a	n/a	n/a
Net assets attributable to holders of redeemable units - per unit (\$)	9.52	10.57	n/a	n/a	n/a

Series B (inception September 27, 2017)	2018	2017	2016	2015	2014
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	553	79	n/a	n/a	n/a
Number of units outstanding (000s) ⁽¹⁾	58	8	n/a	n/a	n/a
Management expense ratio (%) ⁽²⁾	1.47	1.47	n/a	n/a	n/a
Management expense ratio before waivers or absorptions (%)	1.88	1.97	n/a	n/a	n/a
Trading expense ratio (%) ⁽³⁾	0.11	0.07	n/a	n/a	n/a
Portfolio turnover rate (%) ⁽⁴⁾	9.21	11.64	n/a	n/a	n/a
Net assets attributable to holders of redeemable units - per unit (\$)	9.48	10.57	n/a	n/a	n/a

Series F (inception September 27, 2017)	2018	2017	2016	2015	2014
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	110	80	n/a	n/a	n/a
Number of units outstanding (000s) ⁽¹⁾	12	8	n/a	n/a	n/a
Management expense ratio (%) ⁽²⁾	1.00	1.00	n/a	n/a	n/a
Management expense ratio before waivers or absorptions (%)	1.41	1.50	n/a	n/a	n/a
Trading expense ratio (%) ⁽³⁾	0.11	0.07	n/a	n/a	n/a
Portfolio turnover rate (%) ⁽⁴⁾	9.21	11.64	n/a	n/a	n/a
Net assets attributable to holders of redeemable units - per unit (\$)	9.54	10.57	n/a	n/a	n/a

(1) This information is provided as at December 31 of the year shown; unless noted otherwise.

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

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

(4) 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.

Past Performance

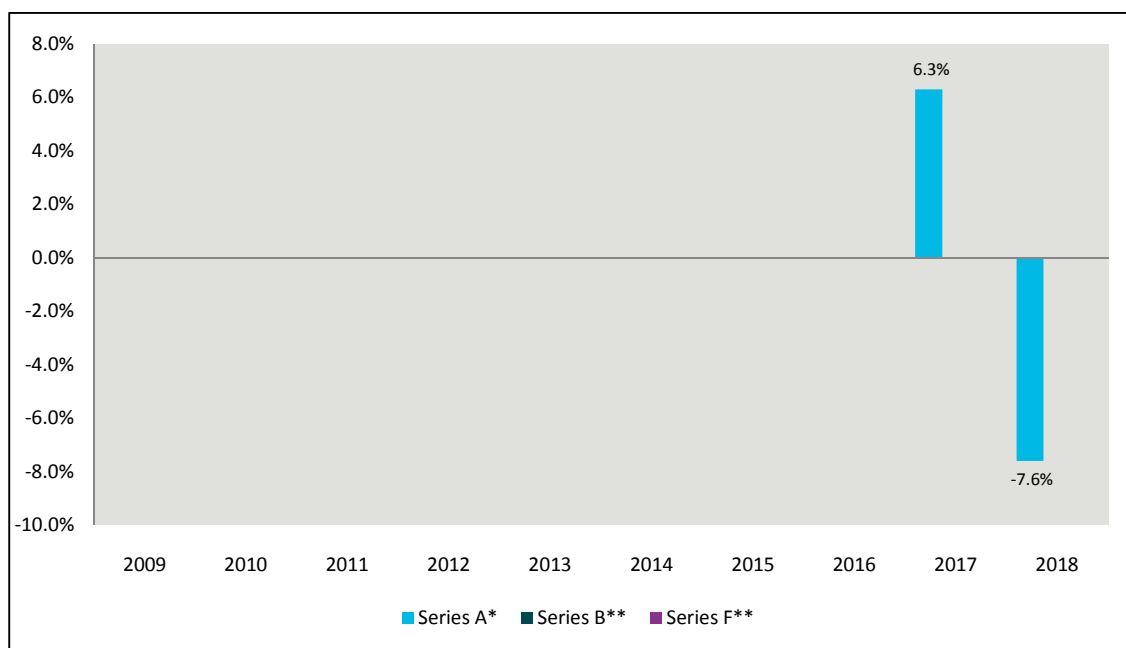
General

The Fund's performance assumes all distributions made by the Fund in the years shown were reinvested in units of the Fund and is based on net asset value per unit. If you hold the Fund outside a Registered Plan, you will be taxed on these distributions.

The performance information does not take into account sales charges, other charges or taxes that, if applicable, would have reduced returns or performance; but includes management fees and other expenses borne directly by the Fund. Past performance does not necessarily indicate how the Fund may perform in the future.

Year-by-Year Returns

The following bar chart shows the Fund's historical return, which changes each year and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the last day of each year.



* Series A units were created September 27, 2017. Return from inception on September 27, 2017 to December 31, 2017, not annualized.

** Series B and Series F units were created September 27, 2017, however, these units were not offered under Simplified Prospectus until May 25, 2018. Past performance information will not be available until such units have been offered under a Simplified Prospectus for at least 12 consecutive months.

Past Performance (cont.)**Annual Compound Returns**

The following table compares the historical annual compound return of the Fund (before fees for Series A and after fees for Series B and F) with the S&P/TSX 60 Fossil Fuel Free (Total Return) Index, in each case for the year ended December 31, 2018. The S&P/TSX 60 Fossil Fuel Free (Total Return) Index measures the performance of companies in the S&P/TSX 60 while excluding companies with the largest relative carbon footprint. A discussion of the performance of the Fund as compared to the benchmark is found in the Results of Operations section of this document.

For the Years ended December 31	1 Year	3 Years	5 Years	10 Years
Fund – Series A*	-7.6%	n/a	n/a	n/a
Benchmark	***-6.5%	n/a	n/a	n/a
Fund – Series B**	n/a	n/a	n/a	n/a
Benchmark	n/a	n/a	n/a	n/a
Fund – Series F**	n/a	n/a	n/a	n/a
Benchmark	n/a	n/a	n/a	n/a

* Series A units were created September 27, 2017.

** Series B and Series F units were created September 27, 2017, however, these units were not offered under Simplified Prospectus until May 25, 2018. Past performance information will not be available until such units have been offered under a Simplified Prospectus for at least 12 consecutive months.

*** Benchmark shown is a blend of 2 indices. S&P/TSX 60 Fossil Fuel Free Carbon Efficient Select Index was our benchmark until it was decommissioned as of August 31, 2018. From September 2018 onward, the index for this Fund was the S&P/TSX 60 Fossil Fuel Free Index.

Summary of Investment Portfolio

As at December 31, 2018

Top 25 Positions

Issuer	% of Net Asset Value
Royal Bank of Canada	7.5%
Toronto-Dominion Bank	7.2%
Bank of Nova Scotia	7.1%
Canadian National Railway Co	6.4%
Saputo Inc	6.0%
Brookfield Asset Management Inc	6.0%
Open Text Corp	5.5%
Brookfield Infrastructure Partners LP	5.4%
Constellation Software Inc	4.7%
Canadian Imperial Bank of Commerce	4.3%
Progressive Waste Solutions Ltd	4.2%
Manulife Financial Corp	3.8%
Finning International Inc	3.2%
Canadian Tire Corp Ltd	3.1%
Toromont Industries Ltd	3.0%
CI Financial Corp	2.6%
First Quantum Minerals Ltd	2.4%
Canadian Western Bank	2.1%
Rogers Communications Inc	1.8%
Great-West Lifeco Inc	1.7%
CGI Group Inc	1.7%
Nutrien Ltd	1.6%
Cameco Corp	1.6%
Industrial Alliance Insurance	1.4%
Winpak Ltd	1.2%

Portfolio Allocation

Portfolio Breakdown	% of Net Asset Value
Financials	44.4%
Industrials	16.8%
Information Technology	11.9%
Utilities	6.6%
Consumer Staple	6.0%
Materials	5.2%
Consumer Discretionary	4.0%
Communication Services	2.0%
Energy	1.6%
Real Estate	0.8%
Cash & Other Net Assets	0.7%

The Fund held no short positions as at December 31, 2018.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.leithwheeler.com.