Leith Wheeler Investment Funds
Quarterly Review – December 31, 2021

	MER %	3 Mo %	1 Yr %	3 Yrs %	5 Yrs %	10 Yrs %
LW Canadian Equity Fund	1.48	5.3	27.6	17.0	8.7	9.8
LW Canadian Dividend Fund	1.50	5.6	26.6	14.5	7.2	9.3
LW Carbon Constrained Cdn Equity Fund	1.48	6.0	23.5	17.2	n/a	n/a
LW US Equity Fund (C$)	1.32	7.2	25.9	16.6	10.7	13.9
LW US Dividend Fund (USD)	1.34	6.9	25.5	13.4	8.1	n/a
LW US Small /Mid-Cap Fund (C$)	1.33	7.3	27.5	18.8	12.7	n/a
LW International Equity Plus Fund (C$)	1.59	0.5	9.5	3.2	3.5	5.7
LW Emerging Markets Fund (C$)	1.68	-3.0	2.1	5.5	n/a	n/a
LW Balanced Fund	1.16	3.6	13.2	10.5	6.6	7.7
LW Income Advantage Fund**	0.85	2.0	10.8	8.8	5.2	5.9
LW Core Bond Fund	0.79	1.4	-2.9	3.7	2.8	2.8
LW Corporate Advantage Fund	0.80	0.0	1.8	4.9	3.3	n/a
LW High Yield Bond Fund	0.88	0.5	2.5	2.6	2.9	n/a
LW High Yield Bond Fund (C$ Hedged)	0.85	0.6	3.1	4.0	3.1	n/a
LW Multi Credit Fund	1.02	0.7	3.1	3.6	n/a	n/a
LW Preferred Share Fund	0.95	1.5	23.9	10.0	n/a	n/a
LW Short Term Income Fund***	0.37	0.0	0.2	1.3	n/a	n/a
LW Money Market Fund****	0.16	0.0	0.1	0.7	0.7	0.5
Peer Comparison*	**Median %**	**3 Mo %**	**1 Yr %**	**3 Yrs %**	**5 Yrs %**	**10 Yrs %**
Median Canadian Equity Fund	2.01	6.2	23.1	15.0	8.2	8.3
Median Dividend & Income Equity Fund	2.01	7.2	26.7	14.1	7.9	8.3
Median US Equity Fund (C$)	1.83	8.8	23.7	19.3	13.5	15.0
Median International Equity Fund (C$)	1.72	2.6	8.1	10.9	7.8	8.9
Median Emerging Markets Equity Fund	1.44	-2.0	-2.4	9.7	8.3	6.6
Median Global Equity Balanced Fund	2.23	4.3	12.1	11.7	7.5	8.1
Median Cdn Fixed Income Balanced Fund	1.96	2.5	4.1	6.5	4.1	4.2
Median Preferred Share Fixed Income Fund	0.90	1.6	22.7	9.9	6.7	4.3
Median Fixed Income Fund	1.27	1.0	-2.9	3.6	2.6	2.3
Median High Yield Fixed Income Fund	1.35	0.0	3.3	6.1	4.0	4.6
Median Money Market Fund	0.59	0.0	0.0	0.5	0.6	0.4

*Note: Returns are for Series B, are total returns and reflect changes in unit value and distributions reinvested. Fund performance numbers are after Management Expense Ratios (MERs). They do not take into account, however, charges or commissions that an external broker may charge for purchasing/redeeming the mutual funds which would have reduced returns. Past returns do not necessarily indicate future performance. Returns are Compound Annual Returns for the periods ending December 31, 2021 with the exception of the 3 Month return. *Source: Fundata **MER temporarily reduced from 1.0% + GST at the discretion of Leith Wheeler based on current short term investment yields ***MER temporarily reduced from 0.65% plus GST at the discretion of Leith Wheeler based on current short-term yields **** MER temporarily reduced from 0.60%+GST at the discretion of Leith Wheeler based on current short term yields*

We entered 2021 optimistic that there was good value in our portfolios but we would not have predicted just how strong a year it turned out to be. North American markets performed extremely well with the S&P/TSX Composite (TSX) up 25.1% and the S&P 500 up 27.8% in Canadian Dollar terms. International markets also had a good year with the MSCI EAFE index increasing 10.5%.

The Canadian Equity Fund had a very successful year, outperforming a strong S&P/TSX Composite. Fund performance was helped by stock selection in the Energy and Material sectors. The US Equity Fund ended up performing slightly behind (after fees and expenses) a very robust market. Strength in a number of Industrials, Consumer and Financials stocks held was somewhat offset by weakness in Communication Services and Information Technology. In particular, not owning Technology heavyweights Microsoft (+51.2%) and Apple (+33.5%) was a headwind to performance. The International Equity Plus Fund lagged the index (after fees and expenses) due in large part to weak stock selection in the Materials, Energy and Financials sectors..

In fixed income, returns were negative in 2021 although we did see a rebound late in the year. Despite a rise in short-term interest rates in the fourth quarter, yields on longer term bonds declined which drove bond prices higher. The move lower in longer term yields during the quarter was largely driven by economic uncertainty resulting from a new wave of COVID infections and easing concerns over elevated inflation. The Core Bond Fund lagged broad bond market slightly after fees and expenses.

On the topic of inflation, it is clear that the pandemic has impacted supply and demand. In 2020, we had shutdowns and stimulus cheques. In 2021, Americans went on a shopping spree, purchasing almost 20% more in goods in Q2 2021 than they did in Q4 2019. At the same time, supply chains were disrupted as just-in-time manufacturing could not deal with a major disruption. A hit to supply at the same time as a boost to demand has been a shock to inflation. Our view is that this will eventually moderate, but it is also prudent to hold a balanced view on this, given the uncertainty.

On one hand, the risks of higher inflation going forward have risen with recent evidence that wage gains have been accelerating, albeit more for lower paid workers and employees switching jobs. On the other hand, many of the factors that have kept inflation at bay over the last several decades persist today. Included among these are that economies today are much more open to foreign competition, with foreign trade representing approximately 50% of GDP versus just 25% back in the 1970s. The baby boomers are aging through their 60s, 70s and 80s, continuing to put downward pressure on inflation in the developed world. Finally, inflation targeting by central banks should help keep long-term inflation expectations in check.

Our outlook for returns in 2022 continues to be constructive, but we likely need to temper expectations on the back of a very strong year in 2021. While investing always requires a look into the future and this brings elements of uncertainty and risk, there are at least two factors in the near term which are likely to impact the markets. Over the next couple of years we will probably see a reduction in monetary stimulus, which through low rates and quantitative easing has been supporting asset prices. A measured approach to raising rates should not disrupt asset prices too much, but if rate hikes are too sharp or severe the market will react negatively. The other factor is the pace of recovery out of the pandemic. We are pleased to have been on the correct side of the trade since vaccines were approved, but recovery from the pandemic brings its own uncertain outcomes and timeframes as we have recently witnessed with the impact of the Omicron variant. We continue to be hopeful, given the progress of global vaccine rollouts and other medical breakthroughs which are in development, even as we acknowledge the setbacks represented by new variants.

In this environment we are comfortable with the positioning of our funds. Across our equity portfolios, businesses have shown an ability to navigate through the pandemic and are trading at lower valuations than the markets, boding well for performance going forward. Many companies are positioned to handle higher inflation should it continue, due to pricing power and the ability to pass costs on. On the fixed income side, we expect bond yields to continue to rise slowly as longer-term inflation pressures moderate. Given our outlook for rates, we continue to believe that fixed income will contribute positive returns to balanced portfolios while adding diversification, particularly during times of elevated market volatility.

Canadian Equity Fund

Canadian equity markets delivered strong returns in the fourth quarter, capping off an impressive year. While the emergence of Omicron weighed on sentiment in late November and early December, markets climbed higher on the expectation that the new variant's less serious health effects would not materially impact the gradual economic recovery. Central banks have now shifted their focus to combatting inflation, with the Bank of Canada removing the pandemic-related stimulus and paving the way for interest rate hikes in 2022.

The S&P/TSX Composite Index (TSX) was up 6.5% in the fourth quarter, driven by positive returns from all but two sectors. Materials led the way with a 10.7% return. Gold stocks were up a solid 8.8%, but their gains were outpaced by double-digit returns in mining, fertilizer, and forestry stocks. The Financials sector rose 9.4%, as expectations for rising interest rates would be positive for banks' net interest margins.

Health Care was once again the worst performing sector in the Index, down 18.3%, with most cannabis producers registering steep declines as federal legalization in the US appeared less likely. The Information Technology sector fell 1.4%, primarily due to the swift sell-off in shares of both Lightspeed Commerce (-58.2%) and Nuvei (-43.5%), which were both the target of short-sellers' reports.

The Canadian Equity Fund returned 5.3% after fees and expenses in the fourth quarter. Relative results were impacted by fund exposure in Materials, as well as weakness in Consumer Staples. On the other hand, performance was helped by our Information Technology holdings and by having no exposure to Health Care.

2021 was a remarkable year of performance, with the TSX up 25.1% thanks to double-digit returns from the heavily weighted Energy (+48.9%) and Financials (+36.5%) sectors. The Index reached new highs during 2021, as positive news of vaccinations, strong company earnings and the continued economic recovery won out over worries of new variants, supply chain woes and high inflation. The Canadian Equity Fund returns have been very strong and are well ahead of the TSX for the year. Amid the rebound in oil and natural gas prices, our Energy holdings have outperformed with significant gains in Tourmaline (+147.1%) and Canadian Natural Resources (+82.8%). Returns have also been strong in Financials (Brookfield Asset Management +47.8%, Bank of Montreal +46.0%, and CIBC +41.5%). Our underweight in the Materials sector has also helped, as the 9.6% decline in gold stocks dragged the TSX sector down over the year, despite its recovery in the fourth quarter.

Given the strength we have seen in markets over the last year, we expect returns to moderate over the next year. Overall, valuations continue to look attractive and have been supported by solid earnings growth, which we expect will continue as the economy gradually recovers.

Canadian Dividend Fund

Similar to the Canadian Equity Fund, the Canadian Dividend Fund provided a strong positive return in the fourth quarter returning 5.6% after fees and expenses, but performance lagged the TSX Dividend Index which advanced by 7.9%. In Materials, our underweight in the outperforming TSX Dividend Materials sector detracted from returns relative to the Index over the quarter. Results were also impacted by weakness in fund holdings in Consumer Staples and Industrials. On the other hand, performance was helped by relative outperformance of our Utilities holdings.

Carbon Constrained Canadian Equity Fund

The Carbon Constrained Canadian Equity Fund (CCCE) follows the same investment process as our core Canadian Equity Fund, where environmental, social and governance issues are addressed in our bottom-up stock analysis. The CCCE Fund adds an additional layer of analysis where companies with more than 30% of their revenues tied to fossil fuel-related activities are screened out of the portfolio. More specifically, investments are excluded if they derive more than 30% of their revenues from:

- The extraction and sale of fossil fuels, or from royalties earned from third parties performing such activities
- Services (including transportation and refining) provided to companies involved in the extraction or sales of fossil fuels
- The sale of power produced by the consumption of fossil fuels

The S&P/TSX 60 Fossil Fuel Free Index (TSX FFF) was up 7.1% in the fourth quarter, driven by positive returns from all but two sectors. The Carbon Constrained Canadian Equity Fund returned 6.0% after fees and expenses during the quarter. Relative results were impacted by our exposure in Materials, as well as weakness in Consumer Staples. On the other hand, performance was helped by having no exposure to Health Care and Energy.

2021 was a remarkable year of performance, with the TSX FFF Index up 25.8% thanks to double-digit returns from the Financials (+37.6%) and Energy (+30.3%) sectors. The Index reached new highs during 2021, as positive news of vaccinations, strong company earnings and the continued economic recovery won out over worries of new variants, supply chain woes and high inflation. Fund returns have been very strong, but relative returns are modestly behind the TSX FFF for the year. No exposure to Energy hurt relative results for the year. The TSX FFF holds pipeline companies which have been helped by the rise in oil and natural gas prices. The CCCE Fund excludes pipeline companies based on their involvement in fossil fuel-related activities.

US Equity Fund

The S&P 500 Index performed very well in the fourth quarter despite the prevalence of the highly transmittable COVID-19 Omicron variant. Aside from Communication Services, all other sectors were positive with most returning double digit returns. Performance was led by Real Estate (+17.2%), Information Technology (+16.3%) and Materials (+14.8%).

The US Equity Fund returned 7.2% after fees and expenses during the fourth quarter, but lagged the S&P 500 Index which advanced by 10.7%. The Fund's underperformance was primarily due to stock selection in Financials, including Discover Financial (-5.8%) and an underweight to the outperforming Information Technology sector. Fund holdings in different sectors also weighed on relative performance including Perrigo Co. (-17.5%), Altice USA (-22.1%), Hess Corporation (-5.2%) and BWX Technologies (-11.0%). Security selection within the Information Technology sector was very strong with Broadcom (+19.6%) and Qualcomm (+41.9%) leading. An underweight to the underperforming Communication Services sector also supported relative returns.

Growth stocks greatly outperformed value stocks in October and November which contributed to the fund's underperformance in the quarter. Value stocks rebounded in December with increasing concerns about the persistence of inflation felt by consumers and supply chain. Production continues to be slower for companies as they manage through the lack of labour and tighter and costlier supplies. Consequently, central banks are contemplating whether to adjust their path to increasing interest rates forward to address market imbalances.

Factoring in these issues, we believe that value stocks are poised to perform very well relative to growth stocks moving forward. Higher interest rates are beneficial for financial stocks, which are more represented in the value indices. Higher rates also make growth stocks less appealing, as future profits of growth stocks are discounted at a higher rate making them relatively less valuable. The companies held in the portfolio typically have strong brand power, product differentiation and new technologies, amongst other characteristics that allow them to pass along higher input costs which should protect margins and revenues. We remain disciplined to our value process in finding new opportunities for our fund and expect many stocks in the fund to outperform the benchmark, and in particular growth stocks.

US Dividend Fund (USD)

The US Dividend Fund returned 6.9% after fees and expenses in US dollar terms, lagging the S&P500 Index which returned 11.0% in the same time period. Fund underperformance was due to stock selection in the Health Care sector, an underweight to Information Technology and overweight to Financials.

We added two new holdings and exited one holding during the quarter.

US Small/Mid Cap Equity Fund

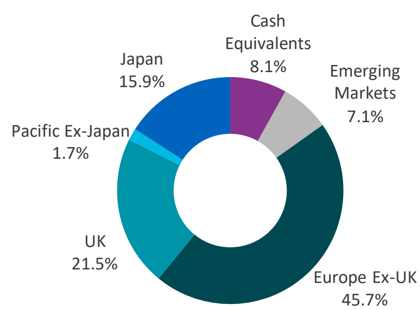
The performance of US small/mid-cap equities generally lagged their large-cap counterparts in the fourth quarter and full year of 2021, with the Russell 2500 increasing 3.5% over the quarter and 17.3% over the year. This was primarily due to the underperformance of small/mid-capped growth stocks, though cyclical names outperformed as investors remain focused on the economic recovery.

The US Small/Mid Cap Equity Fund returned 7.3% during the quarter and 25.5% for the year (both after fees and expenses), significantly outperforming the Russell 2500 Index. Strong stock selection within the Industrials, Information Technology, and Consumer Discretionary sectors, coupled with our underweight position in the bottom performing Health Care sector led to the Fund's outperformance.

International Equity Plus Fund

International markets were up in the fourth quarter of 2021, with the MSCI EAFE Index advancing by 2.5% in Canadian dollar terms. The International Equity Plus Fund lagged the index, advancing by 0.5% after fees and expenses during the quarter. Fund performance was helped by some of the holdings in the Health Care and Consumer Staples sectors. The largest detractors from performance were in the Industrials, Communications and Real Estate sectors.

The country weightings of the International Equity Plus Fund as of December 31, 2021 were:



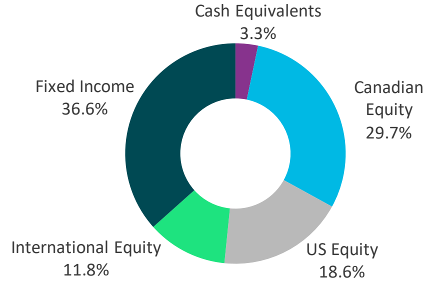
Emerging Markets Equity Fund

Emerging markets had a challenging fourth quarter and year, weighed down by the poor performance of growth stocks and the Chinese market.

The Emerging Markets Fund declined by 3.0% during the fourth quarter, but returned 2.1% for the calendar year (both after fees and expenses). The Fund is attractively valued and well positioned to continue to do well. An environment of higher inflation, rising rates and reasonable economic growth should favor value portfolios.

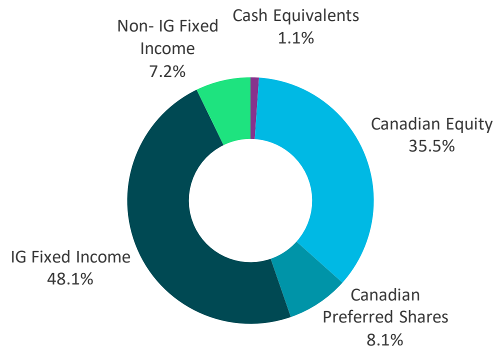
Balanced Fund

The Balanced Fund advanced by 0.4% after fees and expenses in the third quarter of 2021. The asset mix for the Fund as of December 31, 2021 was:



Income Advantage Fund

The Income Advantage Fund returned 0.7% after fees and expenses during the third quarter. The asset mix for the Fund as of December 31,2021 was:



Core Bond Fund

The returns from fixed income portfolios in the fourth quarter were strong. Despite the rise in short-term interest rates, the yields on longer term (and more interest rate sensitive) bonds declined.

This yield curve flattening is common in the mature phases of an economic recovery, particularly as central banks start raising policy rates. The move lower in longer term yields was largely driven by economic uncertainty resulting from a new wave of COVID infections and an easing of concern regarding elevated inflation. Meanwhile, the move higher in short term rates was primarily in reaction to the change in signaling from the Bank of Canada, indicating it would likely be embarking on a monetary tightening cycle in the spring of 2022, ahead of the previously signaled timing of mid-to-late 2022.

The Core Bond Fund returned 1.4% after fees and expenses during the fourth quarter, slightly behind the FTSE Canada Universe Bond Index during the quarter which advanced by 1.5%.

The Bank of Canada held its target for the overnight rate at the effective lower bound of 0.25% but indicated it expects to start hiking short term interest rates as early as April 2022 as economic slack is absorbed. Recent elevated levels of inflation, at 4.7% year over year, exceeding the Bank's inflation target range of between 1-3%, and representing the highest inflation rate in Canada in 30 years, have also likely influenced the Bank's revision to an earlier removal of monetary stimulus. The inflation outlook has become somewhat less clear in recent months as supply chain problems have persisted and the labour markets remain tight. There is a risk that if elevated inflation continues to push up prices for a longer period than expected, inflation expectations may become entrenched, resulting in wage pressure.

Despite the signaling from central banks that short term interest rates will likely rise over the next year and the elevated inflation prints, longer term interest rates fell over the quarter, and the yield curve flattened. The drop-in longer-term interest rates reflects an expectation that longer-term inflation will remain contained and that economic growth will moderate. Longer term inflation expectations as measured by inflation-linked bonds have remained subdued.

The Core Bond Fund remains overweight corporate bonds. These corporate bond holdings are biased towards high quality issues with maturities that are shorter than the Index.

As the economic recovery progresses and inflation remains elevated, we continue to expect bond yields to rise slightly. However, uncertainty remains particularly high given risks related to the pandemic, while at the same time market volatility will likely be elevated as central banks maneuver the gradual reduction of economic stimulus.

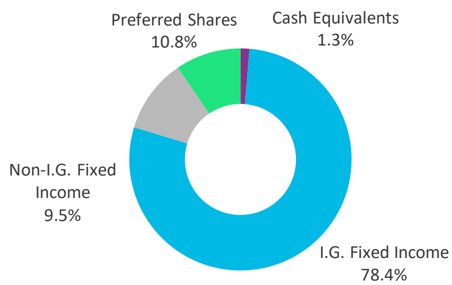
Inflation will be monitored closely over the next year as market participants and central banks assess whether the current elevated inflation levels are transitory. While supply chain disruptions and commodity prices will likely subside as the recovery continues and backlogs are filled, some components of inflation, particularly rising wages, can be sticker in nature. The longer-term path of inflation is uncertain at this time as there is insufficient data to get a full picture, and we continue to closely monitor economic releases for indications of price pressure.

In this environment, we have positioned the Core Bond Fund modestly defensive to rising interest rates, with a lower portfolio interest rate sensitivity relative to the benchmark.

Corporate Advantage Fund

The Corporate Advantage Fund returned 0.0% after fees and expenses during the quarter. Fund performance was helped by the Preferred Share and High Yield bond holdings, while the Investment Grade bond holdings detracted from performance.

The asset mix of the Corporate Advantage Fund as of December 31, 2021 was:



High Yield Bond Fund

High yield bonds ended 2021 with another quarter of positive returns, with credit spreads broadly unchanged (despite some intra-quarter widening). The CAD hedged series of the High Yield Bond Fund returned 0.6% and the unhedged series returned 0.5% during the quarter, both after fees and expenses.

Returns in the quarter were driven by higher quality issues, with Fund holdings in BB-rated and B-rated bonds outperforming the broader market. Credit spreads remain at levels that are below the long-term average, however expected default rates are very low as a result of the continued improvement in credit fundamentals and very open access to liquidity through capital markets.

The high yield bond market continues to be very active and robust heading into 2022. Investors continue to seek additional yield, which has provided ample liquidity in the market. We believe that high yield market returns will continue to be positive moving forward under an improving economic environment supported by monetary and fiscal policy.

Multi Credit Fund

The Multi Credit Fund returned 0.7% after fees and expenses during the fourth quarter. The Fund continues to be positioned with a bias towards owning fixed rate high yield bonds over bank loans, with bank loans representing just under one-third of the overall Fund at the end of 2021. High yield bonds outperformed bank loans in the Fund, which benefited total returns. With bank loans continuing to trade at or above par value, we believe that high yield bonds currently offer better relative value. We continue to seek attractive opportunities to increase loan exposure in the portfolio.

Preferred Share Fund

The Preferred Share Fund returned 1.5% after fees and expenses during the fourth quarter. Rate reset preferred shares outperformed perpetual preferred shares during the quarter. In addition, Government of Canada five year bond yields continued their ascent to end the year at 1.3% while preferred share spreads declined further.

Questions about your portfolio?

If you have questions about your Leith Wheeler portfolio, funds or services, please contact your Investment Funds Advisor at 604-683-3391 or 1-888-292-1122.

IMPORTANT INFORMATION

This report may contain forward-looking statements about the Leith Wheeler Funds. Forward-looking statements include statements that predict future events, conditions or results - including strategy, expected performance or prospects, opportunities, risks and possible future actions. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to risks, uncertainties and assumptions about the Funds and economic factors.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in the forward-looking statements. These statements require us to make assumptions and are subject to inherent risks and uncertainties. Our predictions and other forward-looking statements may not prove to be accurate, or a number of factors could cause actual events, results, performance, etc. to differ materially from the targets, expectations, estimates or intentions. These factors could include, among others, market and general economic conditions, interest rates, regulation, competition and the risks set out in the Funds' Simplified Prospectus. Do not place undue reliance on our forward-looking statements. Please note the Funds have no intention of updating any forward-looking statements, whether as a result of new information, future events or otherwise.

Leith Wheeler Investment Counsel Ltd. is the manager and primary investment advisor for the Leith Wheeler Mutual Funds. Leith Wheeler Investment Funds Ltd. is the principal distributor of the Leith Wheeler Mutual Funds. Leith Wheeler Mutual Funds are also distributed through authorized dealers. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed or covered by the Canada Deposit Insurance Corporation, Leith Wheeler, or any other deposit insurer. Fund values change frequently, and past performances may not be repeated. The unit value of money market funds may not remain constant.

BOFA Merrill Lynch is licensing the BOFA Merrill Lynch indices "as is," makes no warranties regarding same, does not guarantee the suitability, quality, accuracy, timeliness, and/or completeness of the BOFA Merrill Lynch indices or any data included in, related to, or derived therefrom, assumes no liability in connection with their use, and does not sponsor, endorse, or recommend Leith Wheeler, or any of its products or services.

Additional information about the Leith Wheeler Funds is available in the Funds' Annual Information Form, Fund Facts, Management Report of Fund Performance and financial statements. You can get a copy of the Simplified Prospectus, and the other documents, at no cost by calling 1-866-292-1122, on our website at http://www.leithwheeler.com or by contacting your dealer. These documents and other information about the Funds, such as information circulars and material contracts, are available at www.sedar.com.

How to reach us:

Leith Wheeler Investment Funds Ltd.
1500 - 400 Burrard Street
Vancouver, BC
V6C 3A6
Phone: 604.683.3391 or 1.888.292.1122
Fax: 604.683.0323
Email: info@leithwheeler.com
Website: Leithwheeler.com