

# Annual Management Report of Fund Performance

For the year ended December 31, 2022

## *CWB Onyx Growth Solution*

Portfolio Manager CWB Wealth Management Ltd. (“CWB WM”)

### DISCLOSURE

This annual management report of fund performance contains financial highlights but does not contain the 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 1-855-292-9655, by writing to us at Suite 3000, 10303 Jasper Avenue, Edmonton, AB T5J 3X6, by visiting our website at [www.cwbwealth.com](http://www.cwbwealth.com), or by visiting SEDAR at [www.sedar.com](http://www.sedar.com).

CWB WM is the manager of the fund, and a wholly owned subsidiary of Canadian Western Bank (“CW Bank”).

Security holders may also contact us using one of these methods to request a copy of the investment fund’s interim financial report, proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



## Caution Regarding Forward Looking Information

This report may contain forward-looking statements including, but not limited to, statements about the Fund, its strategy, risks, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “anticipates”, “believes”, “estimates”, “expects”, “intends”, “plans”, “may”, or future or conditional verbs such as “will”, “should”, “would” and “could”, and similar forward-looking expressions or negative versions thereof. In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund action, is also a forward-looking statement.

Forward-looking statements are based on current expectations and projections about future general economic, political, and relevant market factors, such as interest rates, foreign exchange rates, equity and capital markets, and the general economic and business environment, in each case assuming no material changes to applicable tax or other laws, government regulations, or policies.

By their very nature, forward-looking statements involve numerous assumptions and are subject to inherent risks and uncertainties, which give rise to the possibility that the Fund’s predictions, forecasts, projections, expectations, and conclusions will not prove to be accurate, and that its assumptions may not be correct.

Forward-looking statements are not guarantees of future performance, and actual events could differ materially from those expressed or implied in any forward-looking statements made by the Fund. A variety of factors, many of which are beyond the Fund’s control, may cause actual results to differ materially from the expectations expressed in the forward-looking statements. These factors include, but are not limited to, general economic, political, and relevant market factors in North America and internationally, interest and foreign exchange rates, equity and capital markets, business competition, technological change, changes in government relations, unexpected judicial or regulatory proceedings and catastrophic events, including natural disasters, pandemics, war, and other risks described in the Fund’s current simplified prospectus. The above-mentioned list of important factors is not exhaustive.

Before making any investment decisions, investors and others relying on forward-looking statements should carefully consider the foregoing factors and the uncertainties and risks they contain. We caution readers not to place undue reliance on these forward-looking statements.

Forward-looking statements are issued in good faith and may be modified without notice. We assume no obligation to update forward-looking statements in the light of new information, future events, or other circumstances unless applicable legislation so requires.

# Management Discussion of the Performance of the CWB Onyx Growth Solution

## Investment Objectives and Strategies

The investment objective of the CWB Onyx Growth Solution (the “Fund”) is to achieve long-term capital appreciation by investing in a diversified portfolio of equity and fixed income securities, with a bias towards equity securities.

The Fund invests in units of the CWB Onyx Canadian Equity Fund, the CWB Onyx Global Equity Fund and the CWB Onyx Diversified Income Fund (the “CWB Onyx Portfolio Series Funds”). We target an allocation of 75% in affiliated mutual funds that invest primarily in Canadian, U.S. and International equity securities, real estate investment trusts and similar investment vehicles. We target an allocation of 25% in affiliated mutual funds that invest primarily in Canadian, U.S. and international fixed income securities. We will position our equity and fixed income exposures within a +/- 10% range relative to the above target allocation.

## Risks

No changes to the Fund affecting the Fund’s overall level of risk were made during the 12-month period ended December 31, 2022 (the “Period”). The risks of investing in the Fund and the suitability of the Fund for investors remain as discussed in the Fund’s most recent simplified prospectus or any amendments or fund facts.

## Results of Operations

Over the Period, the Fund’s net assets decreased by \$2,792,706 to \$21,157,061. This reflects a decrease in net assets of \$1,840,386 resulting from investment performance, distributions to unitholders of \$861,785, and net unit redemptions of \$90,535.

Series A units of the Fund returned (8.10%) over the Period versus the Fund’s internal benchmark (the “Fund Benchmark”) which returned (8.13%) over the Period. The Fund Benchmark is a combination of FTSE Canada Universe Bond Index, S&P/TSX Preferred Share Index, S&P/TSX Composite Total Return (TR) Index, S&P 500 TR Index \$CAD and the MSCI All Country World Index (ACWI) ex-USA \$CAD. The Fund’s general market index benchmarks, the S&P 500 TR Index \$CAD and the S&P/TSX Composite TR Index (the “Broad-Based Benchmarks”), returned (12.41%) and (5.84%), respectively, over the Period. Unlike the Fund Benchmark and the Broad-Based Benchmarks, the Fund’s return is calculated after the deduction of fees and expenses. Returns for individual Series O unitholders of the Fund may vary, largely due to differences in fees and expenses.

Global economies reopened as the COVID-19 pandemic subsided throughout most of the world. Although economic growth slowed from 2021’s very high rate, growth was still generally above pre-pandemic levels in most of the world. Markets were challenged by generationally high inflation caused by many factors, such as supply chain issues, elevated consumer demand and spikes in commodity prices such as oil and natural gas. To combat inflation, central banks across the world raised interest rates aggressively throughout the year. For instance, the U.S. Fed Funds rate rose from 0.25% to 4.25% in 2022. Such a rapid increase in interest rates negatively impacted equity prices as equity valuations tend to fall as rates rise.

The increase in interest rates also drove bond yields higher with the Canada 10-yr bond starting the year yielding around 1.4% and ending the year at 3.3%. Such a rapid increase in bond yields drove bond prices down which resulted in one of the worst years in history for bond returns. The yield curve also became extremely inverted (shorter term bonds yielding more than longer term bonds) which has historically proven to be a reliable indicator of an upcoming recession.

The breakout and subsequent economic implications of the Russian-Ukraine war had a negative impact on global markets, creating volatility and uncertainty. The conflict exposed Europe's dependence on Russia for its gas supplies and spiking energy prices combined with severe sanctions on Russian exports helped to compound inflationary risks on the continent. A relatively mild winter and active measures in Europe to replace Russian fuel supplies helped to somewhat alleviate the pressure on European economies as the year came to a close, although inflation remained a significant issue.

The Fund was overweight shorter term bonds relative to the benchmark and this contributed to strong relative performance. The Fund also held an overweight position in corporate bonds which neither helped or hurt relative performance.

The Canadian equity market, as measured by the S&P/TSX Composite, was one of the best performing markets in the world despite falling 5.84% in 2022. Canada's stock market benefited from strong oil and natural gas pricing. The Energy sector is the second largest sector in the S&P/TSX. Conversely, the Technology heavy U.S. market, as measured by the S&P 500, was one of the worst performing markets in the developed world. Other global markets saw mixed performance with those with higher energy weightings tending to be better relative performers.

The Fund started 2022 with approximately 8% overweight in equities and 8% underweight in bonds versus its benchmark. The asset mix reflected our belief in continued strong economic growth and anticipation of slowing inflation. As the year progressed and inflation proved to be more persistent than expected the Fund's equity overweight was gradually reduced to 3%. The Fund's overweight in equities was a positive contributor to returns relative to the Funds benchmark.

## Recent Developments

Notwithstanding the overall results in 2022, the fourth quarter of the year was a positive one. The hope that interest rate increases were coming to an end, and that there may be rate relief in 2023 seemed to take hold, buoying stock prices. Inflation data will be key in 2023, as central banks have indicated they will be vigilant in raising interest rates should inflation remain elevated. Whether a soft landing and the avoidance of a recession can be engineered in North America remains to be seen, as we have not yet felt the full effects of the 2022 rate increases on the economy. Either way economic growth is expected to slow in 2023 from 2022 levels, which will impact corporate earnings growth and could limit upside equity market returns. In such an environment, quality companies with balance sheet strength to absorb higher rates as well as pricing power appear to be well-positioned.

Bond yields are currently higher than they have been in over a decade meaning that fixed income now provides solid income opportunities. We anticipate rates to remain elevated at today's current levels until inflation declines to the Bank of Canada's target level of 2%. This is likely to take some time leading to expectations that interest

rates will remain elevated into 2024. With bond returns now much more attractive than a year ago we do not anticipate lowering the fixed income weight in the Fund.

## Related Party Transactions

CWB WM is the trustee, manager, portfolio advisor, and principal distributor of the Fund. The Fund pays CWB WM a management fee as compensation for its services. Refer to the section titled 'Management Fees' for a summary of fees paid to CWB WM.

The Fund invests in units of the CWB Onyx Portfolio Series Funds. These funds are related and connected issuers of the Fund, as CWB WM serves as trustee, principal portfolio advisor, and manager for the CWB Onyx Portfolio Series Funds.

The Independent Review Committee ("IRC") of the Fund has approved standing instructions permitting investments in the CWB Portfolio Series Funds, and other mutual funds managed by CWB WM or its affiliates (the "Fund of Fund Investing"). The standing instructions require that the Fund of Fund Investing be conducted in accordance with CWB WM policy and that CWB WM will advise the IRC of a material breach of the standing instructions.

CWB WM policy requires that an investment decision in respect of Fund of Fund Investing (i) is made free from any influence by an entity related to CWB WM and without taking into account any consideration relevant to an entity related to CWB WM; (ii) represents the business judgment of the portfolio manager/sub-advisor uninfluenced by considerations other than the best interests of the Fund; (iii) complies with CWB WM policy; and (iv) achieves a fair and reasonable result for the Fund.

CWB WM entered into a participating dealer agreement (the "Dealer Agreement") with Canadian Western Financial Ltd. ("CWF"), an affiliate of CWB WM. Pursuant to the Dealer Agreement, CWB WM pays CWF a monthly trailing commission equal to 1/12th of 1% of the net asset value attributable to units of the Fund held by CWF clients. This trailing commission is paid directly by CWB WM and does not increase the management fee paid to CWB WM by the Fund.

## Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's performance for the past five years.

### CWB Onyx Growth Solution Series A Net Assets per Unit<sup>1</sup>

	2022	2021	2020	2019	2018
<b>Net Assets, beginning of year</b>	<b>\$14.41</b>	<b>\$12.59</b>	<b>\$11.79</b>	<b>\$10.45</b>	<b>\$11.51</b>
<b>Increase (decrease) from operations:</b>					
Total investment income <sup>2</sup>	\$0.57	\$0.43	\$0.28	\$0.33	\$0.32
Total expenses	(\$0.27)	(\$0.27)	(\$0.23)	(\$0.23)	(\$0.24)
Realized gains (losses) for the year	\$0.42	\$0.21	\$0.08	\$0.06	\$0.06
Unrealized gains (losses) for the year	(\$1.88)	\$1.50	\$0.60	\$1.29	(\$1.15)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(\$1.16)</b>	<b>\$1.87</b>	<b>\$0.73</b>	<b>\$1.45</b>	<b>(\$1.01)</b>
<b>Distributions:</b>					
From income (excluding dividends)	\$0.08	\$0.05	\$0.02	\$0.09	\$0.08
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
<b>Total Annual Distributions<sup>3</sup></b>	<b>\$0.08</b>	<b>\$0.05</b>	<b>\$0.02</b>	<b>\$0.09</b>	<b>\$0.08</b>
<b>Net Assets as at December 31 of year shown</b>	<b>\$12.74</b>	<b>\$14.41</b>	<b>\$12.59</b>	<b>\$11.79</b>	<b>\$10.45</b>

### CWB Onyx Growth Solution Series O Net Assets per Unit<sup>1</sup>

	2022	2021	2020	2019	2018
<b>Net Assets, beginning of year</b>	<b>\$15.01</b>	<b>\$13.14</b>	<b>\$12.14</b>	<b>\$10.72</b>	<b>\$11.72</b>
<b>Increase (decrease) from operations:</b>					
Total investment income <sup>2</sup>	\$0.64	\$0.49	\$0.35	\$0.41	\$0.10
Total expenses		-	-	-	-
Realized gains (losses) for the year	\$0.47	\$0.24	\$0.09	\$0.07	\$0.02
Unrealized gains (losses) for the year	(\$1.83)	\$1.47	\$0.42	\$1.00	(\$0.63)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(\$0.72)</b>	<b>\$2.20</b>	<b>\$0.86</b>	<b>\$1.48</b>	<b>(\$0.51)</b>
<b>Distributions:</b>					
From income (excluding dividends)	\$0.40	\$0.36	\$0.11	\$0.28	\$0.25
From dividends	-	-	-	-	-
From capital gains	\$0.45	-	-	-	\$0.02
Return of capital	-	-	-	-	-
<b>Total Annual Distributions<sup>3</sup></b>	<b>\$0.85</b>	<b>\$0.36</b>	<b>\$0.11</b>	<b>\$0.28</b>	<b>\$0.27</b>
<b>Net Assets as at December 31 of year shown</b>	<b>\$13.21</b>	<b>\$15.01</b>	<b>\$13.14</b>	<b>\$12.14</b>	<b>\$10.72</b>

<sup>1</sup> This information is derived from the Fund's audited annual financial statements. All figures presented are prepared in accordance with IFRS, which requires the Fund to measure the fair value of its investments based on close market prices, where the close market price falls between the bid-ask spread, which is consistent with the method used in measuring the net asset value for transactions with unitholders.

<sup>2</sup> Total investment income is comprised of investment and interest income, realized gains on sale and changes in unrealized appreciation (depreciation) in value of investments. Net assets 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.

<sup>3</sup> Distributions were paid in cash, reinvested in additional units of the Fund or both.

## Ratios and Supplemental Data – Series A

	2022	2021	2020	2019	2018
Total net asset value (000's) <sup>1</sup>	\$20,403	\$23,305	\$20,693	\$21,768	\$21,635
Number of units outstanding <sup>1</sup>	1,601,883	1,616,789	1,643,061	1,845,969	2,070,514
Management expense ratio <sup>2</sup>	1.90%	1.87%	1.93%	1.95%	1.98%
Management expense ratio before waivers or absorptions	2.33%	2.27%	2.30%	2.20%	2.17%
Trading expense ratio <sup>3</sup>	-	-	-	-	-
Portfolio turnover rate <sup>4</sup>	13.95%	16.20%	10.03%	6.14%	29.64%
Net asset value per unit	\$12.74	\$14.41	\$12.59	\$11.79	\$10.45

## Ratios and Supplemental Data – Series O

	2022	2021	2020	2019	2018
Total net asset value (000's) <sup>1</sup>	\$754	\$643	\$483	\$422	\$237
Number of units outstanding <sup>1</sup>	57,099	42,896	36,846	34,756	22,065
Management expense ratio <sup>2</sup>	-	-	-	-	-
Management expense ratio before waivers or absorptions	-	-	-	-	-
Trading expense ratio <sup>3</sup>	-	-	-	-	-
Portfolio turnover rate <sup>4</sup>	13.95%	16.20%	10.03%	6.14%	29.64%
Net asset value per unit	\$13.21	\$15.01	\$13.14	\$12.14	\$10.72

<sup>1</sup> This information is provided as at December 31 of the year shown unless otherwise stated.

<sup>2</sup> Management expense ratio ("MER") is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The management fees related to Series O are excluded as the payments are made directly to the Manager and not through the Fund.

<sup>3</sup> 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.

<sup>4</sup> 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 the securities in its portfolio once a 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.

## Management Fees

The management fee for each applicable series of the Fund is calculated and accrued daily as a percentage of its NAV. The annual management fees and a breakdown of the services received in consideration of the management fees, as a percentage of the management fees, for each series are as follows:

Fund	Management Fee (% of NAV)	Distribution Costs (% of Management Fee)	Others* (% of Management Fee)
Onyx Growth Solution – Series A	1.75	54.01	45.99
Onyx Growth Solution – Series O	N/A	N/A	N/A

\* Includes investment advisory fees, administration fees, and other operating fees.

The Fund's management fees were used by CWB WM to pay for the cost of managing the investment portfolio, providing investment analysis and recommendations, making investment decisions, making brokerage arrangements for the purchase and sales of investment portfolio, providing other services, and compensating

CWB WM for acting as trustee of the Fund. CWB WM also used the management fee to fund trailing commissions and any other compensation to CWF whose clients invest in the Fund.

The Series O management fee is negotiated and paid directly by each investor and will not exceed the Series A management fee.

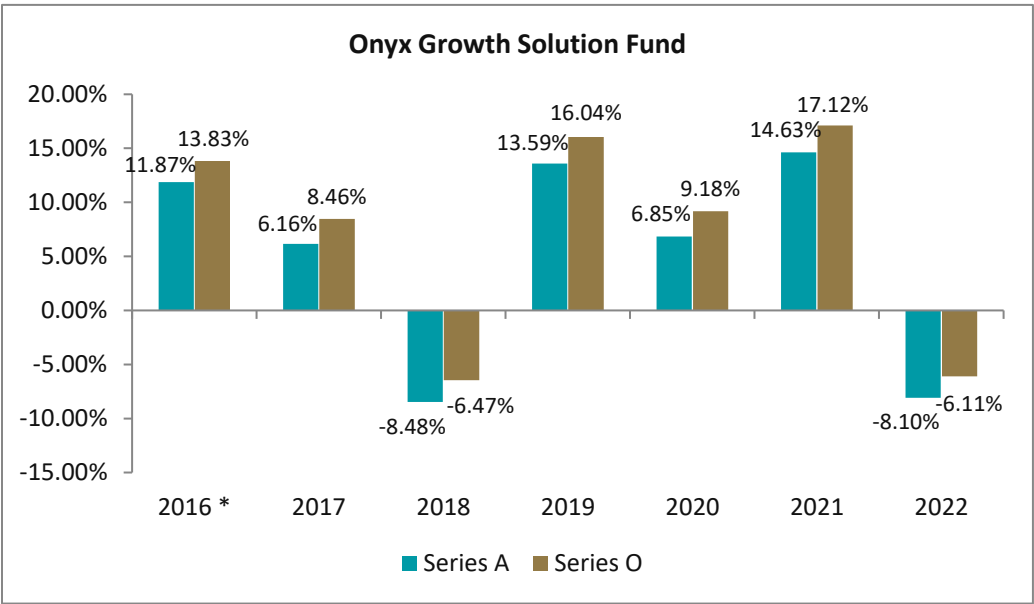
## Past Performance

The past performance of the Fund is set out in the following chart. The performance information shown assumes that all distributions made by the Fund in the years shown were reinvested in additional securities of the Fund and would be lower if distributions were not reinvested. The performance information does not consider sales, redemption, distribution, or other optional charges, or income taxes payable that would have reduced returns or performance.

Mutual fund returns are not guaranteed. Please note that past performance is not indicative of future performance.

## Year-by-Year Returns

The following bar chart shows the Fund’s annual performance in each of the six past years and illustrates how the Fund’s performance has changed from year to year. The chart below shows, in percentage terms, how an investment made on January 1 would have increased or decreased by December 31st of the year presented.



\*Return from February 10, 2016 (commencement of operations) to December 31, 2016, not annualized.



## Annual Compound Returns

The following table displays the historical annual compounded total return for each series of units of the Fund for the years shown ending on December 31, 2022, compared with the following benchmarks:

- Fund Benchmark:
  - 22.5% FTSE Canada Universe Bond Index
  - 2.5% S&P/TSX Preferred Share Index
  - 37.5% S&P/TSX Composite TR Index
  - 18.75% S&P 500 TR Index (in \$CAD)
  - 18.75% MSCI All Country World Index Ex-U.S. (in \$CAD)
- Broad-Based Benchmarks:
  - S&P/TSX Composite TR Index
  - S&P 500 Composite TR Index \$CAD

	Series A Units (%)	Series O Units (%)	Fund Benchmark (%)	S&P/TSX Composite TR Index (%)	S&P 500 Composite TR Index \$CAD (%)
One Year	(8.10)	(6.11)	(8.13)	(5.84)	(12.41)
Three Year	4.02	6.28	5.13	7.54	9.17
Five Year	3.19	5.44	5.70	6.85	11.12
Ten Year	N/A	N/A	N/A	N/A	N/A
Since Inception	4.88	7.12	7.54	9.59	11.91

\*Inception date February 10, 2016

### Index Descriptions

- FTSE Canada Universe Bond Index: This index is composed of investment grade, fixed coupon, government, and corporate bonds, issued in Canada and denominated in Canadian dollars, with a remaining term to maturity of at least one year. The index is weighted by market capitalization.
- S&P/TSX Preferred Share Index: This index is designed to provide a benchmark representing the Canadian preferred stock market. The index is comprised of preferred stocks trading on the Toronto Stock Exchange that meet criteria relating to minimum size, liquidity, issuer rating.
- S&P/TSX Composite TR Index: This index is a broad-based stock market index of the largest Canadian firms listed on the Toronto Stock Exchange and includes the reinvestment of cash distributions in the calculation of returns.
- S&P 500 Composite TR Index \$CAD: This index a measure of the stock performance of 500 leading companies listed on stock exchanges in the United States, in Canadian dollars, and includes the reinvestment of cash distributions. This index gives investors a broad measure of the overall performance of the U.S. stock market.
- MSCI All Country World Index ex-USA: This index is designed to measure large and mid cap companies across 22 of 23 developed market countries (excluding the U.S.) and 26 emerging markets (EM) countries, in Canadian dollars. Please see the end of this report for additional information about this index.

A discussion of the performance of the Fund relative to its benchmark(s) is found in the Results of Operations section of this report.

## Summary of Investment Portfolio

The following table summarizes how the Fund's assets were distributed across various sectors as at December 31, 2022.

Portfolio Breakdown	% of Net Asset Value
Cash	0.8
Other Net Assets	0.6
International Equity Fund	39.7
Canadian Equity Fund	37.2
Fixed Income Fund	21.7
<b>Total</b>	<b>100.0</b>

### Top 25 Holdings

The following table lists the holdings of the Fund (based on percentage of net asset values of the Fund) as at December 31, 2022. The prospectuses and other information about the underlying investment funds are available online at [www.sedar.com](http://www.sedar.com).

Security	%
CWB Onyx Global Equity Fund, Series O	39.7
CWB Onyx Canadian Equity Fund, Series O	37.2
CWB Onyx Diversified Income Fund, Series O	21.7
Cash and Other Net Assets	1.4

The investments and percentages may have changed by the time you purchase units of the Fund due to portfolio transactions of the Fund. The top 25 holdings are made available quarterly and may be obtained by contacting CWB WM at 1-855-292-9655 or by writing to: [info@cwbealth.com](mailto:info@cwbealth.com) CWB Wealth Management Ltd., Suite 3000, 10303 Jasper Avenue, Edmonton, AB T5J 3X6.

### Additional Disclosures on Benchmarks

The MSCI All Country World Index ex-USA is an index of the trading prices of the shares of companies across developed and emerging markets worldwide, excluding the U.S. Neither MSCI nor any other party involved in or related to compiling, computing, or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing, or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.

The blended returns are calculated by CWB WM using end of day index level values licensed from MSCI ("MSCI Data"). For the avoidance of doubt, MSCI is not the benchmark "administrator" for, or a "contributor", "submitter" or "supervised contributor" to, the blended returns, and the MSCI Data is not considered a "contribution" or "submission" in relation to the blended returns, as those terms may be defined in any rules, laws, regulations, legislation, or international standards. MSCI Data is provided "AS IS" without warranty or liability and no copying or distribution is permitted. MSCI does not make any representation regarding the advisability of any investment or strategy and does not sponsor, promote, issue, sell or otherwise recommend or endorse any investment or strategy, including any financial products or strategies based on, tracking, or otherwise utilizing any MSCI Data, models, analytics or other materials or information.