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Guardian Capital Group: Setting off on our climate journey

At Guardian Capital Group Limited (Guardian), we believe that no matter how big or small the action, everything we do makes a difference in the lives of others. This is the basis for Enriching Lives Together, a value proposition we seek to live by at Guardian. Currently, there is perhaps no action more urgently needed than combatting climate change.

A core pillar of Guardian's Corporate Social Responsibility plan is centered around our environmental impact but determining how to tackle the defining issue of our lifetime can be a daunting task. As we contemplated the correct course of action to take, being genuine was the guiding principle at the forefront of any decision. It was important to us that we not only make commitments that reflect our responsibility as a global business with growing influence but also determine a credible, action-oriented plan for achieving them.

That is why we have partnered with [The Pond Foundation](#), an international, non-profit organization focused on changing the way the world acts on climate change and on providing guidance on climate action and sustainability for companies around the world. The organization is built on the three-plus decades' experience of its Founder and Chief Executive Officer, Scott Poynton, who is a pioneer in global responsible sourcing programs. Both our organizations share the same view that in order to address climate change, we need to own up to our responsibility as individuals and corporations and convert it into authentic action - because ultimately, every step we progress in the right direction matters.

We worked with The Pond Foundation throughout 2022 to assess and develop a plan to address the carbon emissions resulting from Guardian's operations. In April, we announced our commitment to becoming carbon neutral in 2022 and beyond. Now we are ready to go further, as Guardian and our subsidiaries will be committing to removing from the atmosphere all of our emissions since the inception of our company in 1962. This emissions amount is referred to as our Lifetime Carbon Balance, and we have set a deadline for ourselves to complete this carbon removal by the end of 2040. We are excited to set such an ambitious goal that reflects our responsibility, not only for our emissions today and in the future, but also to take responsibility for the part we played in contributing to climate change throughout Guardian's lifetime.

In order to achieve our emissions reduction goal, we are developing a strategy based on four areas within The Pond Foundation's RRRI Actions framework (**R**educe annual emissions, **R**educe emissions elsewhere, **R**emove carbon from the atmosphere and **I**nspire others).

Work is already underway. Guardian has taken the initial step by investing in five different carbon-removing projects as a part of our “R3 – **R**emove carbon from the atmosphere” action. These are exciting, nature-based projects around the world that take a thoughtful, holistic approach to carbon removal and, as a result, provide real benefits beyond removing carbon.

One of the projects we invested in that I am personally really excited about, and want to highlight as an example, is the Rewild Carbon project in the Atlantic Forest of Brazil. The Atlantic Forest is one of the most biodiverse rainforests on the planet, but it has sadly been eroded into various isolated patches of forest due to the development of farmlands in the area. Consequently, endemic species remain trapped within their fragment of the forest, while the animals that attempt to move between fragments, like the black lion tamarins (the most vulnerable of endangered species in the forest), face a risky journey and possibly death. The Rewild Carbon project developed a solution that looks to plant tree corridors between forests to allow for the migration of species, create agroforestry plots to support local livelihoods and communities, as well as restore the habitat for more than 100 mammal species, 439 birds and 30 amphibians. All this is done while also removing carbon from the atmosphere.

Furthermore, the global reach of these projects was a vital part of what drew us into working with The Pond Foundation. These projects, each of which The Pond Foundation vetted, allow us to provide co-benefits to different places throughout the world that often don't have the resources to implement these climate actions on their own.

The other distinguishing feature I would highlight is the fact that the projects are not carbon offsets. While the terms ‘carbon offset’ and ‘carbon removal’ are sometimes used interchangeably, they are not the same as they produce different results. With a carbon offset, which has become a popular way to achieve net zero commitments, a business or individual can pay someone else to reduce their emissions. An example would be financing a wind and solar project because the energy produced by renewables will produce less emissions than energy that would've been produced by fossil fuels. The problem is the carbon initially emitted into the atmosphere is still there. Whereas with carbon removal, the carbon in the air is taken and locked away in trees, soils, mangroves, buildings, or it is returned to the ground so that it no longer contributes to climate change. The projects Guardian invested in are carbon removal projects, which we see as the best way to use our resources as a company to address climate change.

Looking ahead, we are in the process of finalizing our “R1 - **R**educe annual emissions” strategy. Our efforts will be focused on our primary sources of emissions: business travel and office energy use. We are currently evaluating our business travel policies and exploring opportunities to engage with our office landlords to improve energy efficiency. We will also be introducing internal initiatives for employees to learn more and get involved in Guardian’s carbon reduction journey.

We recognize that Guardian’s total emissions are a drop in the bucket within the context of emissions globally, but that does not absolve us of our responsibility to do our part in combatting climate change. While our efforts alone are not going to resolve the issue, we hope that our commitments and actions inspire others, including clients, peers and colleagues, to do the same.

Michele Robitaille

Head of Responsible Investing, Guardian Capital LP
On behalf of Guardian Capital Group Limited

About Guardian Capital Group Limited

Guardian Capital Group Limited (Guardian) is a diversified, global financial services company operating in two main business segments: Investment Management and Wealth Management. As at September 30, 2022, Guardian had C\$47.8 billion of assets under management and C\$26.8 billion of assets under administration, while managing a proprietary investment portfolio with a fair market value of C\$648 million. Through its subsidiaries, Guardian provides extensive investment management solutions to institutional and private wealth clients, while offering comprehensive wealth management services to financial advisors in its national mutual fund dealer, securities dealer and insurance distribution network. Founded in 1962, Guardian's reputation for steady growth, long-term relationships and its core values of trustworthiness, integrity and stability have been key to its success over six decades. Its Common and Class A shares are listed on the Toronto Stock Exchange as GCG and GCG.A, respectively. To learn more about Guardian, visit <http://www.guardiancapital.com>.

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