

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

GUARDIAN FIXED INCOME SELECT FUND

JUNE 30, 2023

This interim management report of fund performance contains financial highlights, but does not contain either the interim financial report or interim financial statements of the investment fund. You can obtain a copy of the interim financial report or interim financial statements at your request, and at no cost, by calling 1-866-383-6546, by writing to us at Guardian Capital LP, Commerce Court West, 199 Bay Street, Suite 2700, P.O. Box 201, Toronto, Ontario, M5L 1E8, or by visiting our website at www.guardiancapital.com/investmentsolutions or SEDAR+ at www.sedarplus.ca.

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

The primary objective of the Guardian Fixed Income Select Fund (the "Fund") is to generate an above-average income stream, primarily through investments in investment grade corporate bonds, debentures, notes or other evidence of indebtedness.

The Manager uses a disciplined management approach while employing various analytical tools to identify investments that offer value on a relative basis with a view to maximizing current income while preserving the prospect for some capital growth. The Manager will, under normal conditions, adhere to a laddered approach designed to diversify exposure to various term maturities and maintain portfolio liquidity. The Fund will also be diversified by issuer and by number of issues. The Fund may be invested in foreign pay Canadian issues, real return bonds, mortgage-backed securities and securities of foreign issuers. A maximum of 10% of the Fund may be held in foreign-dominated securities. Debt securities issued or guaranteed by the government of Canada or any Canadian province may be held in the Fund from time to time.

Risk

The risks associated with investing in the Fund are discussed in the prospectus. The Fund may be suitable for investors with a low tolerance for risk, particularly those who seek income and potential capital gains through an investment in higher yielding bonds.

Results of Operations

This commentary is based on the performance of Series I units of the Fund. Returns for other Series of units may vary, largely due to differences in fees and expenses. Please refer to the Past Performance section for specific Series level performance details.

The Fund's net asset value decreased by 8% to \$106.6 million at June 30, 2023 from \$116.5 at December 31, 2022. Of this change, an increase of \$2.0 million was

provided by investment performance and a decrease of \$11.8 million was attributable to net redemptions.

Series I units of the Fund posted a return of 1.7% for the period. The Fund's blended benchmark, 80% FTSE Canada 1-10 Year Laddered Corporate Bond Index and 20% FTSE Canada 1-10 Year Laddered Government Bond Index, returned 1.7% for the same period. The Fund's return is after the deduction of fees and expenses, unlike the benchmark's return.

Canadian bonds bounced back, rising 2.51%, after two consecutive calendar years of negative returns. The FTSE Canada Short-, Mid- and Long-Term Indices returned 1.00%, 1.85%, and 5.39%, respectively. Provincial bonds (overall) returned 3.32% while corporate bonds (overall) returned 2.97%.

The Bank of Canada (BoC) implemented another rate increase at its January meeting, but announced it would pause to assess the effects of a cumulative 425bps of rate hikes since early 2022. Silicon Valley Bank (SVB)'s failure in late March was assumed to be the proverbial thing that broke to signal the end of the hiking cycle but turned out to be another false positive. Following decisive actions by the US Federal Reserve and the US banking regulators to stem systemic risks from developing, yields experienced large upward moves after stronger-than-expected employment data, inflation, and GDP reports in April and May. This economic resilience persisted in Q2 and caused the BoC to surprise markets with a 25 basis point hike at its June meeting and suggested that more adjustments may be needed to better rebalance labour markets as well as wage and price pressures. Similarly in the US, the Federal Reserve also announced a 25 basis point hike at its May meeting, to an upper bound of 5.25%. While inflation remains above target in both Canada and the US, both countries now have the two lowest inflation figures amongst the G7 countries.

The policy rate increase by the BoC caused a repricing of the Canadian yield curve, with the front end flattening and approaching levels last seen in the first quarter before Silicon Valley Bank's failure. Long-term bonds outperformed short- and mid-term bonds.

During the second quarter, credit spreads retraced much of their SVB-driven widening from March, reflecting a general consensus that central banks may be close to the end of their hiking cycles and are likely to manage to rebalance demand without engineering a significant economic slowdown. As a result, corporate bonds outperformed government bonds during the period.

The Fund performed relatively in-line with its benchmark during the period, with an overweight allocation to corporate bonds adding value. Within the Financials sector, mid-term insurance bonds added value and mid- and long-dated provincial bonds from Ontario also outperformed, while certain REIT bonds and bank limited recourse capital notes (LRCN) detracted from performance.

The Fund maintains a moderately neutral duration position relative to its benchmark. The Fund's portfolio was overweight corporate bonds, both in terms of absolute weight and on a duration-adjusted basis. The Fund is overweight the middle of the yield curve, particularly the 5 through 10 year terms. This overweight was increased during the period, in anticipation of the yield curve steepening and the middle outperforming. During the period, the Manager reduced the weight in government bonds by allowing them to mature, while reinvesting the proceeds in new issue bank, insurance and energy bonds. The Fund's weight in bond in the Communication Services sector was also reduced during the period.

The Manager integrates ESG considerations into its investment analysis and stewardship activities with the objective of enhancing long-term investment performance. Active engagement and proxy voting are a core part of the Manager's stewardship approach, and the Fund's investment team participates in these activities in a manner suitable to the asset class and Fund. Our investment teams focus on ESG and other factors which they believe could be financially material and/or impact the long-term sustainability of the company. The consideration of ESG issues is one of a number of elements in the portfolio construction process and, may or may not have a material influence

on portfolio composition at any given time. For more information, the Manager posts its annual proxy voting reports, along with an annual Responsible Investing Report and its Responsible Investing Policies on its website:
<https://www.guardiancapital.com/investmentsolutions/>

Recent Developments

On April 27, 2023 the Fund commenced offering Series A and Series F Units for distribution to eligible investors.

Aggressive interest rate hiking cycles, on both sides of the border, to tame inflation is now bearing fruit, although we have yet to feel the full effects of the initial increases (rate hikes typically take about 18 months to fully filter through the economy) and inflation still remains above long-term targets. Looking ahead, both the BoC and the US Federal Open Market Committee (FOMC) have suggested that they are closer to a prolonged pause at these elevated rates and future adjustments, if needed, are likely to be modest.

The Canadian yield curve is more deeply inverted now than it was at the beginning of the year, with yields at the short end of the curve rising and the long end remaining relatively unchanged.

Credit spreads, on the other hand, remain wider than the multi-year lows seen post-pandemic as financial conditions have tightened. The Manager believes credit offers the best risk-adjusted return potential at this point in the cycle, given the spread "cushion", and that higher quality credit, in particular, is more attractive, as the effect of higher interest rates begins to show in corporate profitability. The Fund remains overweight corporate bonds at the expense of federal and provincial bonds. The Manager expects spreads to remain volatile in the near term, but believes it will be compensated with spread carry. Additional spread widening is likely to present an opportunity to selectively add to the Fund's corporate bond positioning.

Related Party Transactions

Guardian Capital LP, the Manager of the Fund, is considered to be a “related party” of the Fund. The Manager is responsible for the day-to-day operations of the Fund and also acts as the portfolio manager, managing the investment portfolio of the Fund. These services are in the normal course of operations and the Fund pays a management fee to the Manager for these services, based on the average Net Asset Value of the Fund, as detailed in the Management Fees section below. The Manager is a wholly-owned subsidiary of Guardian Capital Group Limited, a publicly traded firm listed on the Toronto Stock Exchange.

The Manager also receives an Administration Fee from the Fund, amounting to 0.07% of the average daily net asset value of the Fund, in return for the payment by the Manager of all the variable operating expenses of the Fund. The Independent Review Committee (“IRC”) has approved the Manager’s Policy for this item and the Manager relies on this approval as a standing instruction from the IRC. The Manager received the Administration Fee and paid Fund expenses in accordance with this Policy during the period.

The Fund may invest some of its available short term cash in units of Guardian Canadian Short-Term Investment Fund, another investment fund managed by Guardian Capital LP and a related issuer, which invests its assets in high-quality short-term fixed-income securities. With respect to investments in related issuers, the Manager has relied on the approval that it has received from the IRC. The approval requires the Manager to comply with its current policy and procedures regarding investments in related issuers and to report periodically to the IRC. The Manager will not duplicate management fees paid to an underlying fund that is a related issuer.

Management Fees

No management fees are payable or collected for Series I units of the Fund. Series A and Series F units are subject to a management fee which is based on a percentage of the average Series NAV during each month, calculated and accrued daily, and payable

monthly. The Series A management fee is 0.80% per annum. The Series F management fee is 0.30% per annum. The table below provides a breakdown of services received in consideration of the management fees, as a percentage of the management fees, for the period.

In the event that the Fund invests in another investment fund to obtain exposure to the constituent securities, the Fund may pay the management fee on the portion of the Fund’s assets invested in the other fund, as long as this would not duplicate fees for the same service and the other fund is not a related issuer.

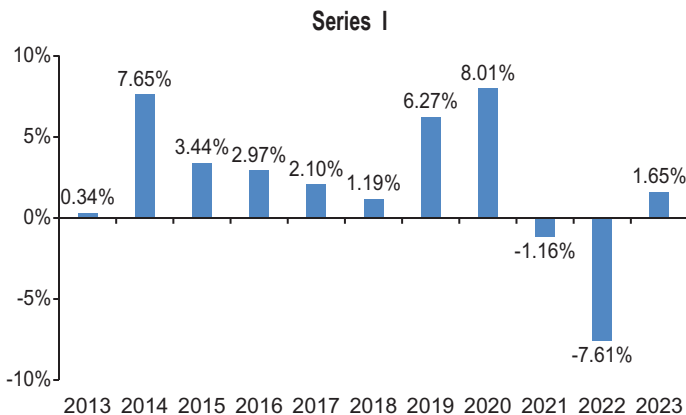
	Series A	Series F	Series I
Investment management and other general administration	37.5%	100.0%	n/a
Trailer Commission	62.5%	n/a	n/a

Past Performance

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund. This performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. Past performance of the Fund does not necessarily indicate how the Fund will perform in the future.

Year-by-Year Returns

The bar charts show the Fund's performance for the period from January 1, 2023 to June 30, 2023, and illustrates how the Fund's performance has changed from year to year. The 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 that financial year.



Annual Compound Returns

The tables below shows the historical compound returns of the Fund's Units for the periods indicated, as at June 30, 2023. The returns of a broad based market index are also shown.

	1 Yr	3 Yrs	5 Yrs	10 Yrs
Series I (%)	2.41	-1.66	1.45	2.46
FTSE Canada 1-10 Year Laddered Corporate Bond Index (%)	3.05	-1.30	1.54	2.25
Blended Benchmark (%)	2.83	-1.47	1.42	2.12

* Inception date - April 5, 2012.

The Blended Benchmark is comprised of the following:

- 20% FTSE Canada 1-10 Year Laddered Government Bond Index, an index structured of Government bonds rated "A" or higher and selected from the FTSE Canada Universe Bond Index.
- 80% FTSE Canada 1-10 Year Laddered Corporate Bond Index, an index structured of Corporate bonds rated "A" or higher and selected from the FTSE Canada Universe Bond Index.

For Series A and Series F units, please note that it has not yet been 12 consecutive months since the performance inception date of this Series, thus, in accordance with regulatory requirements, investment performance cannot be shown.

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 periods indicated. The information is derived from the Fund's audited annual financial statements and unaudited interim financial statements.

The Fund's Net Assets per Unit (Series I)

	For the six months ended June 30, 2023	12 months ended Dec. 31, 2022	12 months ended Dec. 31, 2021	12 months ended Dec. 31, 2020	12 months ended Dec. 31, 2019
Net Assets per Unit, Beginning of Period ^[1]	\$9.45	\$10.53	\$10.92	\$10.43	\$10.09
Increase (decrease) from operations per Unit:^[1]					
Total revenue	0.15	0.28	0.28	0.28	0.30
Total expenses	-	(0.01)	(0.01)	(0.01)	(0.01)
Realized gains (losses)	(0.13)	(0.27)	(0.09)	0.15	0.10
Unrealized gains (losses)	0.15	(0.87)	(0.31)	0.40	0.24
Total increase (decrease) from operations per Unit	0.17	(0.87)	(0.13)	0.82	0.63
Distributions per Unit from: ^{[1] [2]}					
Income (excluding dividends)	(0.15)	(0.11)	(0.27)	(0.27)	(0.29)
Canadian dividends	-	-	-	-	-
Foreign dividends	-	(0.01)	-	-	-
Capital gains	-	-	-	(0.07)	-
Return of capital	-	-	-	-	-
Total Distributions per Unit	(0.15)	(0.12)	(0.27)	(0.34)	(0.29)
Net Assets per Unit, End of Period ^[1]	\$9.46	\$9.45	\$10.53	\$10.92	\$10.43

[1] Net assets per Unit and distributions per Unit are based on the actual number of units outstanding at the relevant time. The increase (decrease) from operations per Unit is based on the weighted average number of units outstanding over the financial period.

[2] Substantially all distributions were reinvested in additional units of the Fund.

Ratios and Supplemental Data (Series I)

	For the six months ended June 30, 2023	12 months ended Dec. 31, 2022	12 months ended Dec. 31, 2021	12 months ended Dec. 31, 2020	12 months ended Dec. 31, 2019
Total net asset value (000's) ^[1]	\$106,550	\$116,395	\$163,369	\$126,961	\$105,928
Number of units outstanding ^[1]	11,257,388	12,311,030	15,521,348	11,626,841	10,156,730
Management expense ratio ^[2]	0.09%	0.09%	0.11%	0.11%	0.11%
Management expense ratio before waivers and absorptions	0.09%	0.09%	0.11%	0.11%	0.11%
Trading expense ratio ^[3]	-	-	-	-	-
Portfolio turnover rate ^[4]	16.81%	39.34%	136.50%	58.51%	66.57%
Net asset value per Unit ^[1]	\$9.46	\$9.45	\$10.53	\$10.92	\$10.43

[1] This information is provided as at the end of each period indicated.

[2] The management expense ratio is based on total expenses (excluding commissions, other portfolio transaction costs and withholding taxes) of the Fund and its proportionate share of the total expenses of the Underlying Funds, where applicable.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs of the Fund and its proportionate share of the Underlying Funds' portfolio transaction costs, where applicable, expressed as an annualized percentage.

[4] The Fund's portfolio turnover rate indicates how actively its portfolio advisor trades portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in the portfolio once in the course of a year.

The Fund's Net Assets per Unit (Series A)

	For the six months ended June 30, 2023	12 months ended Dec. 31, 2022
Net Assets per Unit, Beginning of Period ^[1]	\$9.57	–
Increase (decrease) from operations per Unit:^[1]		
Total revenue	0.15	0.11
Total expenses	(0.05)	(0.06)
Realized gains (losses)	(0.13)	(0.16)
Unrealized gains (losses)	0.15	(0.03)
Total increase (decrease) from operations per Unit	0.12	(0.14)
Distributions per Unit from: ^{[1] [2]}		
Income (excluding dividends)	(0.10)	(0.20)
Canadian dividends	–	(0.01)
Foreign dividends	–	(0.02)
Capital gains	–	–
Return of capital	–	–
Total Distributions per Unit	(0.10)	(0.23)
Net Assets per Unit, End of Period ^[1]	\$9.58	\$9.57

[1] Net assets per Unit and distributions per Unit are based on the actual number of units outstanding at the relevant time. The increase (decrease) from operations per Unit is based on the weighted average number of units outstanding over the financial period.

[2] Substantially all distributions were reinvested in additional units of the Fund.

Ratios and Supplemental Data (Series A)

	For the six months ended June 30, 2023	12 months ended Dec. 31, 2022
Total net asset value (000's) ^[1]	\$5	\$5
Number of units outstanding ^[1]	520	515
Management expense ratio ^[2]	0.97%	0.99%
Management expense ratio before waivers and absorptions	0.97%	0.99%
Trading expense ratio ^[3]	–	–
Portfolio turnover rate ^[4]	16.81%	39.34%
Net asset value per Unit ^[1]	\$9.58	\$9.57

[1] This information is provided as at the end of each period indicated.

[2] The management expense ratio is based on total expenses (excluding commissions, other portfolio transaction costs and withholding taxes) of the Fund and its proportionate share of the total expenses of the Underlying Funds, where applicable.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs of the Fund and its proportionate share of the Underlying Funds' portfolio transaction costs, where applicable, expressed as an annualized percentage.

[4] The Fund's portfolio turnover rate indicates how actively its portfolio advisor trades portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in the portfolio once in the course of a year.

The Fund's Net Assets per Unit (Series F)

	For the six months ended June 30, 2023	12 months ended Dec. 31, 2022
Net Assets per Unit, Beginning of Period ^[1]	\$9.28	–
Increase (decrease) from operations per Unit:^[1]		
Total revenue	0.15	0.14
Total expenses	(0.02)	(0.03)
Realized gains (losses)	(0.13)	(0.14)
Unrealized gains (losses)	0.14	(0.51)
Total increase (decrease) from operations per Unit	0.14	(0.54)
Distributions per Unit from: ^{[1] [2]}		
Income (excluding dividends)	(0.13)	(0.50)
Canadian dividends	–	(0.01)
Foreign dividends	–	(0.04)
Capital gains	–	–
Return of capital	–	–
Total Distributions per Unit	(0.13)	(0.55)
Net Assets per Unit, End of Period ^[1]	\$9.29	\$9.28

[1] Net assets per Unit and distributions per Unit are based on the actual number of units outstanding at the relevant time. The increase (decrease) from operations per Unit is based on the weighted average number of units outstanding over the financial period.

[2] Substantially all distributions were reinvested in additional units of the Fund.

Ratios and Supplemental Data (Series F)

	For the six months ended June 30, 2023	12 months ended Dec. 31, 2022
Total net asset value (000's) ^[1]	\$55	\$55
Number of units outstanding ^[1]	5,956	5,890
Management expense ratio ^[2]	0.43%	0.43%
Management expense ratio before waivers and absorptions	0.43%	0.43%
Trading expense ratio ^[3]	–	–
Portfolio turnover rate ^[4]	16.81%	39.34%
Net asset value per Unit ^[1]	\$9.29	\$9.28

[1] This information is provided as at the end of each period indicated.

[2] The management expense ratio is based on total expenses (excluding commissions, other portfolio transaction costs and withholding taxes) of the Fund and its proportionate share of the total expenses of the Underlying Funds, where applicable.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs of the Fund and its proportionate share of the Underlying Funds' portfolio transaction costs, where applicable, expressed as an annualized percentage.

[4] The Fund's portfolio turnover rate indicates how actively its portfolio advisor trades portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in the portfolio once in the course of a year.

SUMMARY OF INVESTMENT PORTFOLIO

As at June 30, 2023

Portfolio Allocation	% of Net Asset Value
Canadian Bonds	
Federal and guaranteed	9.6%
Provincial and guaranteed	6.8%
Corporate	73.6%
United States Corporate Bonds	5.4%
Investment Funds	4.0%
Short-term Securities	0.1%
Other net assets	0.5%
Total	100.0%

Geographic Allocation	% of Net Asset Value
Canada	94.0%
United States of America	5.4%
Short-term securities	0.1%
Other net assets	0.5%
Total	100.0%

Top 25 Holdings	% of Net Asset Value
Bank of Montreal	7.9%
TELUS Corporation	6.9%
Canada Housing Trust No. 1	6.7%
Allied Properties Real Estate Investment Trust	5.9%
Sun Life Financial Inc.	5.7%
The Bank of Nova Scotia	5.4%
Province of Ontario	5.1%
TMX Group Limited	4.5%
Manulife Bank of Canada	4.4%
New York Life Global Funding	4.1%
Royal Bank of Canada	3.7%
Choice Properties Real Estate Investment Trust	3.2%
Government of Canada	2.9%
Federated Co-operatives Limited	2.7%
Rogers Communications Inc.	2.6%
Bell Canada Inc.	2.5%
The Toronto-Dominion Bank	2.3%
Brookfield Corporation	2.2%
CCL Industries Inc.	2.2%
BMO Laddered Preferred Share Index ETF	2.2%
BCI QuadReal Realty	2.1%
BMO Ultra Short-Term Bond ETF	1.8%
Province of Quebec	1.7%
TransCanada PipeLines Limited	1.6%
JPMorgan Chase & Company	1.3%

Top 25 Holdings as a percentage of net asset value
91.6%
Total Net Asset Value:
\$106,610,109



GUARDIAN CAPITAL

GUARDIAN CAPITAL LP

199 Bay Street, Suite 2700
Commerce Court West, P.O. Box 201
Toronto, Ontario
M5L 1E8

www.guardiancapital.com/investmentsolutions



This document may contain forward-looking statements relating to anticipated future events, results, circumstances, performance or expectations that are not historical facts, but rather represent our beliefs regarding future events. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions and other forward-looking statements will not prove to be accurate. We caution readers of this document not to place undue reliance on our forward-looking statements, as a number of factors could cause actual future results, conditions, actions or events to differ materially from the expectations, estimates or intentions expressed or implied in the forward-looking statements. Actual results may differ materially from management expectations as projected in such forward-looking statements for a variety of reasons, including but not limited to market and general economic conditions, interest rates, regulatory and statutory developments and the effects of competition in the geographic and business areas in which the Fund may invest. We caution that the foregoing list of factors is not exhaustive and that when relying on forward-looking statements to make decisions with respect to investing in the Fund, investors and others should carefully consider these factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. Due to the potential impact of these factors, Guardian Capital LP does not undertake, and specifically disclaims, any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.

Guardian, Guardian Capital and the Guardian griffin design are trademarks of Guardian Capital Group Limited, registered in Canada and used under licence.