



GUARDIAN CAPITAL

Guardian i³ Global Dividend Premium Yield Fund

Guardian i³ Global Dividend Premium Yield Fund

FINANCIAL
STATEMENTS

December 31, 2025

Managed by Guardian Capital LP



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Financial Statements and Schedule of Investment Portfolio for each of the Guardian i ³ Global Dividend Premium Yield Fund, comprising the following:	
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GUARDIAN CAPITAL LP

March 25, 2026

The accompanying financial statements of the Guardian i³ Global Dividend Premium Yield Fund (collectively, the “Funds”) have been prepared by Guardian Capital LP (the “Manager”), in its capacity as Manager of the Funds. The Manager is responsible for the information and representations contained in these financial statements, which have been approved by the Board of Directors of the general partner of the Manager, Guardian Capital Inc.

The Manager maintains appropriate procedures and controls to ensure that reliable financial information relating to the Funds is produced. The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and include certain amounts based upon estimates and judgments. The significant accounting policies which the Manager believes are appropriate for the Funds are described in the notes to the financial statements.

(signed) "Darryl Workman",
Senior Vice President



Independent auditor's report

To the Unitholders and Trustee of Guardian i³ Global Dividend Premium Yield Fund (the Fund)

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2025 and its financial performance and its cash flows for the period from March 4, 2025 (commencement of operations) to December 31, 2025 in accordance with IFRS Accounting Standards.

What we have audited

The Fund's financial statements comprise:

- the statement of financial position as at December 31, 2025;
- the statement of comprehensive income for the period from March 4, 2025 (commencement of operations) to December 31, 2025;
- the statement of changes in net assets attributable to holders of redeemable units for the period from March 4, 2025 (commencement of operations) to December 31, 2025;
- the statement of cash flows for the period from March 4, 2025 (commencement of operations) to December 31, 2025; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other information

Management is responsible for the other information of the Fund. The other information comprises the Annual Management Report of Fund Performance of the Fund.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Sameet Batavia.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario

March 25, 2026

December 31, 2025

Guardian i³ Global Dividend Premium Yield Fund
Statement of Financial Position

 As at December 31 2025
Assets
Current assets

Investments	\$	44,703,137
Cash, net		435,309
Due from brokers		–
Short-term securities		–
Subscriptions receivable		175
Interest and dividends receivable		33,926
Unrealized appreciation on foreign currency contracts		–
		45,172,547

Liabilities
Current liabilities

Bank overdraft		–
Due to brokers		–
Redemptions payable		110,000
Distributions payable		–
Accrued expenses due to Manager		32,172
Option contract liabilities		28,794
Unrealized depreciation on foreign currency contracts		–
		170,966

Net assets attributable to holders of redeemable units (NAV)	\$	45,001,581
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NAV per series

Series A	\$	1,538,726
Series F		12,349,157
Series I		77,245
ETF Units		31,036,453

NAV per unit per series

Series A	\$	9.92
Series F		10.01
Series I		10.08
ETF Units		20.02

Closing market price

ETF Units	\$	20.08
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The accompanying notes and their supplementary schedules are an integral part of these financial statements.

Guardian i³ Global Dividend Premium Yield Fund

Statement of Comprehensive Income

For the period from commencement of operations, March 4, 2025, to December 31, 2025

	2025
Income	
Dividends	\$ 358,984
Interest for distribution purposes	–
Net realized gains (losses) on sale of investments	(151,233)
Net realized gains (losses) on option contracts	(187,788)
Change in unrealized appreciation (depreciation) in value of investments	1,735,775
Change in unrealized appreciation (depreciation) on option contracts	34,095
Net gains (losses) on investments	1,789,833
Net realized gains (losses) on foreign currency contracts	–
Change in unrealized appreciation (depreciation) on foreign currency contracts	–
Net gains (losses) on derivatives	–
Foreign exchange gains (losses)	(11,998)
Other income	170
Total income (loss)	1,778,005

Operating expenses (Note 4)

Administration fee	20,070
Management fee	146,368
Independent review committee costs	47
Interest charges	–
Transaction costs	47,978
Foreign withholding taxes	47,979
Other expenses	186
Total operating expenses	262,628

Increase (decrease) in NAV from operations \$ 1,515,377

Increase (decrease) in NAV from operations per series

Series A	\$ 42,302
Series F	637,751
Series I	3,828
ETF Units	831,496

Increase (decrease) in NAV from operations per unit per series (Note 3)

Series A	\$ 0.62
Series F	0.79
Series I	0.52
ETF Units	1.32

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Guardian i³ Global Dividend Premium Yield Fund

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units

For the period from commencement of operations, March 4, 2025, to December 31, 2025	2025	2025	2025	2025	2025
	Series A	Series F	Series I	ETF Units	Total
NAV, beginning of period	\$ -	\$ -	\$ -	\$ -	\$ -
Increase (decrease) in NAV from operations	42,302	637,751	3,828	831,496	1,515,377
Distributions to unitholders:					
Income	(2,498)	(32,974)	(239)	(61,289)	(97,000)
Capital gains	-	-	-	-	-
Return of capital	(28,976)	(320,509)	(2,852)	(499,320)	(851,657)
	(31,474)	(353,483)	(3,091)	(560,609)	(948,657)
Redeemable unit transactions:					
Proceeds from issuance of units	1,586,327	13,376,852	73,902	30,765,566	45,802,647
Reinvested distributions	10,443	135,210	3,091	-	148,744
Redemption of units	(68,872)	(1,447,173)	(485)	-	(1,516,530)
	1,527,898	12,064,889	76,508	30,765,566	44,434,861
Net increase (decrease) in NAV	1,538,726	12,349,157	77,245	31,036,453	45,001,581
NAV, end of period	\$ 1,538,726	\$ 12,349,157	\$ 77,245	\$ 31,036,453	\$ 45,001,581
Change in units (Note 3)	2025	2025	2025	2025	
	Series A	Series F	Series I	ETF Units	
Units issued and outstanding, beginning of period	-	-	-	-	
Number of units issued	160,953	1,364,902	7,403	1,550,000	
Number of units reinvested	1,054	13,617	312	-	
	162,007	1,378,519	7,715	1,550,000	
Number of units redeemed	(6,882)	(145,180)	(51)	-	
Units issued and outstanding, end of period	155,125	1,233,339	7,664	1,550,000	

The accompanying notes and their supplementary schedules are an integral part of these financial statements.

Guardian i³ Global Dividend Premium Yield Fund

Statement of Cash Flows

For the period from commencement of operations, March 4, 2025, to December 31, 2025

2025

Cash flows from operating activities

Increase (decrease) in NAV from operations	\$	1,515,377
Adjustments for:		
Unrealized foreign exchange (gains) losses on cash		(587)
Net realized (gains) losses on sale of investments		151,233
Net realized (gain) loss on options		187,788
Change in unrealized (appreciation) depreciation in value of investments		(1,735,775)
Change in unrealized (appreciation) depreciation on option contracts		(34,095)
Change in unrealized (appreciation) depreciation in foreign currency contracts		—
Purchases from investments and short-term securities		(52,116,419)
Proceeds from sale of investments and short-term securities		8,872,925
(Increase) decrease in interest and dividends receivable		(33,926)
Increase (decrease) in accrued expenses due to Manager		32,172
Net cash from (used in) operating activities		(43,161,307)

Cash flows from (used in) financing activities

Distributions paid, net of reinvested distributions		(799,913)
Proceeds from issuance of units		45,802,472
Redemption of units		(1,406,530)
Net cash from (used in) financing activities		43,596,029

Foreign exchange

Net effect of unrealized foreign exchange gains (losses) on cash		587
Net increase (decrease) in cash		435,309
Cash, net (bank overdraft), beginning of period		—
Cash, net (bank overdraft), end of period	\$	435,309

Cash activity included in operating activities:

Interest received	\$	—
Interest paid		—
Dividends received, net of withholding taxes		277,079

The accompanying notes and their supplementary schedules are an integral part of these financial statements.

Guardian i³ Global Dividend Premium Yield Fund

Schedule of Investment Portfolio

As at December 31, 2025

Number of Shares/ Units/ Par Value	Security	Average Cost	Fair Value	Number of Shares/ Units/ Par Value	Security	Average Cost	Fair Value
EQUITY INVESTMENTS - 99.4%				MATERIALS - 0.7%			
COMMUNICATION SERVICES - 6.7%				872	Air Products and Chemicals Inc.*	\$ 328,659	\$ 295,261
4,473	Alphabet Inc., Class 'A'	\$ 1,453,145	\$ 1,919,117			328,659	295,261
1,194	Meta Platforms Inc., Class 'A'	1,124,615	1,080,353	REAL ESTATE - 2.1%			
		2,577,760	2,999,470	908	Equinix Inc.*	1,020,806	953,594
CONSUMER DISCRETIONARY - 7.2%						1,020,806	953,594
2,312	Darden Restaurants, Inc.*	639,753	583,191	UTILITIES - 1.1%			
2,133	McDonald's Corporation*	907,994	893,604	3,392	WEC Energy Group Inc.*	504,328	490,345
1,606	The Home Depot Inc.*	815,665	757,510			504,328	490,345
4,653	The TJX Companies Inc.*	882,363	979,740	Total equity investments			
		3,245,775	3,214,045			42,995,596	44,703,137
CONSUMER STAPLES - 6.4%				Transaction costs			
1,654	Costco Wholesale Corporation*	2,176,725	1,955,115			(28,234)	–
2,643	The Procter & Gamble Company*	574,890	519,197	Total investments - 99.4%			
4,411	Unilever PLC, ADR*	415,866	395,433			42,967,362	44,703,137
		3,167,481	2,869,745	Option contracts, net - (0.1%) (Schedule 1)			
ENERGY - 10.3%							(28,794)
11,272	Shell PLC, ADR*	1,109,011	1,135,346	Other net assets - 0.7%			
25,145	The Williams Companies Inc.*	2,070,582	2,071,842				327,238
16,083	TotalEnergies SE*	1,446,486	1,442,234	Net assets attributable to unitholders - 100.0%			
		4,626,079	4,649,422				\$ 45,001,581
FINANCIALS - 19.9%							
3,367	Allianz SE*	1,920,050	2,116,689				
34,887	AXA SA*	2,294,499	2,300,470				
14,384	ICICI Bank Limited, ADR*	631,924	587,563				
1,236	Mastercard Inc., Class 'A'	957,159	967,212				
8,195	Royal Bank of Canada*	1,569,659	1,917,548				
5,734	The Hartford Insurance Group Inc.*	1,016,908	1,083,092				
		8,390,199	8,972,574				
HEALTH CARE - 9.6%							
2,841	AbbVie Inc.*	820,214	889,809				
901	Amgen Inc.*	383,359	404,243				
8,798	AstraZeneca PLC, ADR*	969,301	1,108,663				
300	Eli Lilly & Company*	350,465	441,935				
4,151	Johnson & Johnson*	1,015,406	1,177,542				
4,512	Sanofi SA, ADR*	318,982	299,717				
		3,857,727	4,321,909				
INDUSTRIALS - 11.2%							
958	Illinois Tool Works Inc.*	332,413	323,436				
421	Parker-Hannifin Corporation*	426,663	507,235				
4,009	Republic Services Inc., Class 'A'	1,287,338	1,164,627				
3,640	Schneider Electric SE*	1,351,344	1,376,504				
208	W.W. Grainger Inc.	290,571	287,696				
3,200	Waste Management Inc.*	994,045	963,736				
2,932	Wolters Kluwer NV*	601,277	416,979				
		5,283,651	5,040,213				
INFORMATION TECHNOLOGY - 24.2%							
8,028	Apple Inc.*	2,627,485	2,991,651				
1,000	ASML Holding NV*	1,201,016	1,466,511				
5,669	Broadcom Inc.*	2,256,049	2,689,468				
3,735	Microsoft Corporation*	2,421,037	2,476,014				
858	Motorola Solutions Inc.*	496,823	450,824				
3,077	Oracle Corporation*	990,721	822,091				
		9,993,131	10,896,559				

* Denotes securities pledged as collateral against option contracts.

Guardian i³ Global Dividend Premium Yield Fund

Schedule 1 - Option Contracts Written

As at December 31, 2025

Underlying security	Option type	Number of contracts	Number of Shares	Expiration Date	Strike price (\$)	Strike price currency	Average cost	Fair Value
AbbVie Inc.	Call	(7)	(700)	10-Jan-26	240	USD \$	(1,052)\$	(182)
AbbVie Inc.	Call	(7)	(700)	3-Jan-26	240	USD	(406)	(10)
Air Products and Chemicals Inc.	Call	(4)	(400)	17-Jan-26	270	USD	(77)	(203)
Allianz SE	Call	(17)	(1,700)	17-Jan-26	400	EUR	(5,908)	(3,777)
Alphabet Inc., Class 'A'	Call	(11)	(1,100)	10-Jan-26	325	USD	(2,108)	(1,447)
Alphabet Inc., Class 'A'	Call	(11)	(1,100)	3-Jan-26	335	USD	(1,236)	(15)
Amgen Inc.	Call	(4)	(400)	10-Jan-26	345	USD	(793)	(5)
Apple Inc.	Call	(19)	(1,900)	3-Jan-26	290	USD	(2,312)	(26)
Apple Inc.	Call	(20)	(2,000)	10-Jan-26	290	USD	(787)	(82)
ASML Holding NV	Call	(5)	(500)	10-Jan-26	1,140	USD	(4,122)	(1,652)
AstraZeneca PLC, ADR	Call	(44)	(4,400)	17-Jan-26	100	USD	(1,117)	(302)
AXA SA	Call	(174)	(17,400)	17-Jan-26	43	EUR	(3,212)	(1,401)
Broadcom Inc.	Call	(28)	(2,800)	10-Jan-26	375	USD	(8,157)	(2,725)
Costco Wholesale Corporation	Call	(8)	(800)	10-Jan-26	910	USD	(1,886)	(669)
Darden Restaurants, Inc.	Call	(11)	(1,100)	17-Jan-26	210	USD	(136)	(15)
Eli Lilly & Company	Call	(1)	(100)	10-Jan-26	1,180	USD	(479)	(53)
Equinix Inc.	Call	(4)	(400)	17-Jan-26	810	USD	(2,084)	(1,925)
ICICI Bank Limited, ADR	Call	(68)	(6,800)	17-Jan-26	32	USD	(375)	(559)
Illinois Tool Works Inc.	Call	(5)	(500)	17-Jan-26	260	USD	(301)	(240)
Johnson & Johnson	Call	(21)	(2,100)	10-Jan-26	220	USD	(733)	(317)
Mastercard Inc., Class 'A'	Call	(6)	(600)	10-Jan-26	595	USD	(1,323)	(247)
McDonald's Corporation	Call	(10)	(1,000)	10-Jan-26	335	USD	(152)	(69)
Meta Platforms Inc., Class 'A'	Call	(6)	(600)	10-Jan-26	715	USD	(1,820)	(156)
Microsoft Corporation	Call	(9)	(900)	10-Jan-26	515	USD	(996)	(74)
Microsoft Corporation	Call	(10)	(1,000)	3-Jan-26	510	USD	(1,325)	(14)
Motorola Solutions Inc.	Call	(4)	(400)	17-Jan-26	410	USD	(243)	(247)
Oracle Corporation	Call	(15)	(1,500)	10-Jan-26	225	USD	(2,052)	(267)
Parker-Hannifin Corporation	Call	(2)	(200)	17-Jan-26	920	USD	(959)	(877)
Republic Services Inc., Class 'A'	Call	(19)	(1,900)	17-Jan-26	230	USD	(236)	(443)
Royal Bank of Canada	Call	(41)	(4,100)	10-Jan-26	238	CAD	(2,029)	(1,681)
Sanofi SA, ADR	Call	(21)	(2,100)	17-Jan-26	53	USD	(405)	(288)
Schneider Electric SE	Call	(18)	(1,800)	17-Jan-26	255	EUR	(3,269)	(1,942)
Shell PLC, ADR	Call	(56)	(5,600)	10-Jan-26	75	USD	(1,873)	(1,535)
The Hartford Insurance Group Inc.	Call	(28)	(2,800)	17-Jan-26	145	USD	(1,505)	(499)
The Home Depot Inc.	Call	(4)	(400)	10-Jan-26	370	USD	(331)	(49)
The Home Depot Inc.	Call	(4)	(400)	3-Jan-26	380	USD	(378)	(5)
The Procter & Gamble Company	Call	(12)	(1,200)	10-Jan-26	160	USD	(33)	(49)
The TJX Companies Inc.	Call	(23)	(2,300)	10-Jan-26	160	USD	(1,399)	(347)
The Williams Companies Inc.	Call	(120)	(12,000)	10-Jan-26	63	USD	(662)	(987)
TotalEnergies SE	Call	(80)	(8,000)	17-Jan-26	68	USD	(2,646)	(2,193)
Unilever PLC, ADR	Call	(19)	(1,900)	17-Jan-26	70	USD	(236)	(208)
Waste Management Inc.	Call	(16)	(1,600)	17-Jan-26	230	USD	(1,108)	(811)
WEC Energy Group Inc.	Call	(16)	(1,600)	17-Jan-26	115	USD	(108)	(88)
Wolters Kluwer NV	Call	(14)	(1,400)	17-Jan-26	102	EUR	(520)	(113)
Option contracts written							(62,889)	(28,794)
Option contracts, net							\$ (62,889)\$	(28,794)

Guardian i³ Global Dividend Premium Yield Fund

Supplementary Schedules to the Notes to the Financial Statements

December 31, 2025

Note 1: Formation of the Fund

Guardian i³ Global Dividend Premium Yield Fund (the "Fund") was formed on March 4, 2025. The primary objective of the Fund is to provide long-term capital appreciation and regular distributions by investing directly and indirectly primarily in global dividend-paying securities and employing a dynamic covered call option writing strategy.

Note 3: Increase (decrease) in NAV from operations per unit per series

The weighted average number of units outstanding during the period used to calculate the increase (decrease) in NAV from operations per unit per series is as follows:

For the period from commencement of operations, March 4, 2025, to December 31, 2025	2025
Series A	68,604
Series F	809,722
Series I	7,390
ETF Units	629,414

As at December 31, 2025, one unitholder held approximately 11% of the Fund's NAV. The investment activity of this unitholder could have a material impact on the operations and returns of the Fund.

Note 4: Operating expenses

The Manager currently charges to the Fund management fees and administration fees, based on the NAV and the annual rates of these fees are as follows:

As at December 31	2025
Annual management fee rate	
Series A	1.70%
Series F	0.70%
Series I	0.00%
ETF Units	0.70%
Annual administration fee rate	
Series A	0.10%
Series F	0.10%
Series I	0.10%
ETF Units	0.10%

Note 5: Income taxes

The Fund has the following tax losses available to be carried forward and applied against capital gains or income in the current and future years:

As at December 31	2025
Capital losses	\$ 250,315
Non-capital losses	—

Capital losses may be carried forward indefinitely. The non-capital losses expire on the following dates:

	Amount expiring	Date of expiry
Non-capital losses	\$ —	—

Guardian i³ Global Dividend Premium Yield Fund

Supplementary Schedules to the Notes to the Financial Statements

December 31, 2025

Note 8 (a) (i): Currency risk:

The table below summarizes the Fund's direct net exposure to currency risk from monetary items and non-monetary items.

As at December 31, 2025	Cash and other current receivables & payables	Investments (monetary & non- monetary)	Forward currency contracts	Net currency exposure	% of NAV
USD	\$ 455,572	\$ 36,555,065	\$ –	\$ 37,010,637	82.2%
Euro	7,694	6,203,411	–	6,211,105	13.8%
Other currencies	–	–	–	–	–
Net currency exposure	\$ 463,266	\$ 42,758,476	\$ –	\$ 43,221,742	96.0%

** Includes both monetary and non-monetary items, as applicable

If the foreign currencies increased or decreased by 5% in relation to the Canadian dollar, with all other variables held constant, the approximate increase or decrease in the Fund's NAV are as follows:

As at December 31	2025
Change in NAV	\$ 2,161,000
% of NAV	4.8%

In practice, the actual trading results could differ, and the difference could be material

Note 8 (a) (ii): Interest rate risk:

The Fund is exposed to interest rate risk through its investments in short-term securities. This risk is not considered to be significant to the Fund as the Fund invests predominantly in equity securities.

Note 8 (a) (iii): Other price risk:

The table below summarizes the Fund's exposure to other price risk through its holding of investments:

As at December 31	2025
Total equity investments	\$ 44,703,137
Option contract liabilities	(28,794)
Other price risk	\$ 44,674,343
% of NAV	99.3%

If the prices for the investments held by the Fund increased or decreased by 5%, with all other variables held constant, the approximate increase or decrease in the Fund's NAV are as follows:

As at December 31	2025
Change in NAV	\$ 2,234,000
% of NAV	5.0%

In practice, the actual trading results could differ, and the difference could be material.

Note 8 (b): Concentration risk:

The tables below summarize the Fund's exposure to countries and investment sectors, as a percentage of NAV:

Countries, as at December 31	2025
Canada	4.3%
Denmark	–
France	12.1%
Germany	4.7%
India	1.3%
Ireland	–

Guardian i³ Global Dividend Premium Yield Fund

Supplementary Schedules to the Notes to the Financial Statements

December 31, 2025

Note 8 (b): Concentration risk: (continued)

Countries, as at December 31	2025
Netherlands	4.2%
United Kingdom	5.9%
United States of America	66.9%
Option contracts, net	(0.1%)
Other net assets (liabilities)	0.7%
Total	100.0%

Investment sectors, as at December 31	2025
Communication services	6.7%
Consumer discretionary	7.2%
Consumer staples	6.4%
Energy	10.3%
Financials	19.9%
Health care	9.6%
Industrials	11.2%
Information technology	24.2%
Materials	0.7%
Real estate	2.1%
Utilities	1.1%
Option contracts, net	(0.1%)
Other net assets (liabilities)	0.7%
Total	100.0%

Note 8 (d): Credit risk:

The Fund is exposed to credit risk through its investments in investment grade short-term securities, or in a mutual fund which holds investments in investment-grade short-term securities. The risk is not considered to be material to the Fund as it predominantly invests in equity securities.

Note 9: Classification of financial instruments for fair value measurements

The summary of the Fund's investments, classified based upon a fair value hierarchy, is as follows:

As at December 31, 2025	Level 1	Level 2	Level 3	Total
Equity investments	\$ 44,703,137	\$ -	\$ -	\$ 44,703,137
Fixed-income investments	-	-	-	-
Short-term securities	-	-	-	-
Investment funds	-	-	-	-
Derivatives - assets	-	-	-	-
Derivatives - liabilities	(21,561)	(7,233)	-	(28,794)
Total	\$ 44,681,576	\$ (7,233)	\$ -	\$ 44,674,343
Percentage of total investments	100.0%	0.0%	0.0%	100.0%

The summary of significant transfers between levels during the period is as follows:

For the period from commencement of operations, March 4, 2025, to December 31, 2025	Level 1 to Level 2	Level 2 to Level 1	Level 2 to Level 3	Level 3 to Level 2
Equity investments	\$ -	\$ -	\$ -	\$ -
Fixed-income investments	-	-	-	-
Short-term securities	-	-	-	-
Investment funds	-	-	-	-
Derivatives - assets	-	-	-	-
Derivatives - liabilities	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -

Guardian i³ Global Dividend Premium Yield Fund

Supplementary Schedules to the Notes to the Financial Statements

December 31, 2025

Note 10: Related party unitholders

Units of the Fund held by the Manager, its affiliates, their officers, and funds it manages are as follows:

As at December 31	2025
Series A – number of units	522
Series A – percentage of issued units	0.3%
Series F – number of units	521
Series F – percentage of issued units	0.0%
Series I – number of units	521
Series I – percentage of issued units	6.8%
ETF Units – number of units	257,950
ETF Units – percentage of issued units	16.6%

**Guardian i³ Global Dividend Premium Yield Fund
NOTES TO FINANCIAL STATEMENTS****1. The Fund:**

These notes accompany and form part of the attached financial statements of the Guardian Capital Funds (the “Fund”). The Fund is governed by a Master Declaration of Trust dated February 14, 2025 (the “Declaration of Trust”), and Guardian Capital LP (the “Manager”) is the manager and trustee of the Fund. Worldsource Financial Management Inc. is a mutual fund dealer and the principal distributor of the Funds (“Worldsource”).

Guardian Capital Group Limited (“Guardian”), the parent company of Guardian Capital LP (the “Manager”), the trustee and manager of the Guardian Capital Funds, announced on March 23, 2026, the completion of the previously announced acquisition of Guardian by Desjardins Global Asset Management Inc. (“Desjardins”), an affiliate of Desjardins Group (the “Transaction”). The Transaction was completed by way of a statutory plan of arrangement under the Business Corporations Act (Ontario), pursuant to which Desjardins purchased all of the issued and outstanding Common Shares and Class A Shares of Guardian. The completion of the Transaction resulted in an indirect acquisition of the Manager, and thus, an indirect change of control of the Manager.

The Manager does not anticipate that the Transaction will result in any material change to the business, operations, or affairs, or to the management of, the Guardian Capital Funds. No immediate material changes to the Guardian Capital Funds’ investment objectives, strategies, fees, or to the Manager’s role as investment fund manager, are expected.

Information regarding the Fund’s formation, and certain other supplementary information pertaining to the Fund, is contained in the Supplementary Schedules to the Notes to the Financial Statements of the Fund (“the Supplementary Schedules”) which accompany and form part of the Fund’s financial statements.

The Schedule of Investment Portfolio, and where applicable option contracts, forwards and futures of the Fund is as at December 31, 2025. The Statement of Financial Position is as at December 31, 2025. The Statement of Comprehensive Income, Changes in Net Assets Attributable to Holders of Redeemable Units and Cash Flows are for the period from commencement of operations to December 31, 2025.

2. Material accounting policy information:

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on January 1, 2025, that have a material effect on the financial statements of the Funds.

a) Basis of presentation

These financial statements have been prepared in accordance with IFRS Accounting Standards. The financial statements are presented in Canadian dollars, which is the Funds’ functional currency. The financial statements are presented in Canadian dollars, which is the Funds’ functional currency.

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the period presented, unless otherwise indicated.

The financial statements have been prepared on a going concern basis and on the historical cost basis, except for financial instruments at Fair Value Through Profit and Loss (“FVTPL”), which are measured at fair value.

The financial statements have been authorized for issuance by the Manager on March 25, 2026.

b) Critical accounting estimates and judgements

The preparation of financial statements requires the Manager to use judgement in establishing and applying the Funds’ accounting policies, and to make estimates and assumptions which affect the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates. The most material areas where the Manager has used estimates and applied judgement are as follows:

(i) Estimates

Determination of the fair value of investments which do not have quoted market prices:

Information about how the Funds determine fair value is described in Note 2 (e). Information about assumptions and estimates associated with the determination of fair value of financial instruments with significant unobservable inputs that have significant risks of actual values being materially different are included in Note 9.

Guardian i³ Global Dividend Premium Yield Fund
NOTES TO FINANCIAL STATEMENTS

2. Material accounting policy information (continued):

b) Critical accounting estimates and judgements (continued)

(ii) Judgements

In classifying and measuring financial instruments held by the Fund, the Manager is required to make material judgements in determining the most appropriate classification in accordance with IFRS 9 – Financial Instruments (“IFRS 9”). The Manager has assessed the Fund’s business models and concluded that FVTPL in accordance with IFRS 9 provides the most appropriate classification of the Fund’s financial instruments. In reaching this conclusion, the Manager considered the manner in which all financial assets and financial liabilities are managed, and how performance is evaluated.

c) Subsidiaries

The Fund is considered to be an investment entity and, as such, if it has subsidiaries or joint ventures it will account for them at FVTPL.

The Fund currently do not have any subsidiaries or joint ventures.

d) Financial instruments

The Fund classify and measure financial instruments in accordance with IFRS 9. The Fund’s investments and derivative assets and liabilities are measured at FVTPL.

e) Fair value measurement

Fair value is the price that would be received on the sale of an asset or paid to retire a liability in an orderly transaction between market participants at the measurement date. When available, the Fund determine the fair value of financial instruments, such as securities listed upon a recognized public stock exchange including exchange traded funds, at the last traded market price, where the last traded price falls within the bid-ask spread. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm’s length and orderly basis.

In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value, based on the specific facts and circumstances.

Over the counter securities, for example fixed-income securities, forwards, options, and other derivative financial instruments, or foreign currency contracts are valued at the mean of the bid and ask prices received from recognized investment dealers.

Investments in other investment funds that are not exchange traded funds, which may include one of the Guardian Funds, are valued at the closing net asset value per unit reported by the administrators of such funds. Investment funds, including exchange traded funds are termed “Underlying Funds” in these financial statements.

If a security is not listed upon a recognized stock exchange or a market for a financial instrument is not active, the Fund establish fair value using valuation techniques. Valuation techniques include using recent arm’s length transactions between knowledgeable, willing parties, reference to the current fair value of other instruments that are substantially the same, discounted cash flow analyses and other models. The selected technique makes maximum use of market inputs, relies as little as possible on estimates provided by the Manager, incorporates all factors that market participants would consider in setting a price and is consistent with accepted methodologies for pricing financial instruments. Inputs to valuation techniques reasonably represent market expectations and measures of risk-return factors inherent in the financial instruments.

The carrying values of cash, subscriptions receivable, interest receivable, payable for investments purchased, redemptions payable, distributions payable, and accrued liabilities substantially equal their fair values due to their short-term nature.

f) Net assets attributable to unitholders (“NAV”)

NAV of the Fund represents the fair value of the Fund’s assets minus the Fund’s liabilities, and is equal to the various series of redeemable units issued by the Fund (“Units”).

The Units are presented at their redemption amount, and are considered to be a liability of the Fund, as they impose an obligation on the Fund to pay distributions on the Units in cash if requested by the unitholder.

A different NAV is calculated for each series of Units of the Fund. The NAV of a particular series of Units is computed by calculating the value of the series’ proportionate share of the assets and liabilities of the Fund common to all series less the liabilities of the Fund attributable only to that series. Expenses directly attributable to a series are charged to that series. Other expenses are allocated proportionately to each series based upon the relative NAV of each series. Expenses are accrued daily.

The Fund’s accounting policies for measuring fair value of their portfolio investments are identical to those used in the calculation of their NAV for transactions with unitholders, except where the last traded market price for financial assets and liabilities are not within the bid-ask spread. As at all dates presented, there were no differences between the Fund’s net assets attributable to holder of redeemable units and the NAV for transactions with unitholders.

Guardian i³ Global Dividend Premium Yield Fund
NOTES TO FINANCIAL STATEMENTS

2. Material accounting policy information (continued):

g) Income recognition

Total income (loss) includes dividends, interest for distribution purposes, net realized gains (losses) on sale of investments, changes in unrealized appreciation (depreciation) in value of investments, net realized gains (losses) on foreign currency contracts, net realized gains (losses) on option contracts, and futures, change in unrealized appreciation (depreciation) on foreign currency contracts, net gains (losses) on derivatives, foreign exchange gains (losses), other income, and securities lending income.

Dividend income is recognized on the ex-dividend date. The interest for distribution purposes represents the coupon interest received by the Fund, accounted for on an accrual basis. The Fund do not amortize premiums paid or discounts received on the purchase of fixed income securities, except for zero coupon fixed income securities which are amortized on a straight line basis over the term to maturity. Net realized gains (losses) on sale of investments and change in unrealized appreciation (depreciation) in investments are determined on an average cost basis. Net realized gains (losses) on foreign currency contracts represent the amount realized on closing out such derivative contracts. Changes in unrealized appreciation (depreciation) in foreign currency contracts represents the gains (losses) which would result if such contracts were closed out on the valuation date. Securities lending income is accrued daily over the period the securities are loaned.

Distributions received from Underlying Funds and other flow through entities are recorded as dividends, interest for distribution purposes, net realized gains (losses) on sale of investments or a return of capital, based on the best information available to the Manager. Due to the nature of those investments, actual allocations could vary from this information. Amounts recorded as a return of capital reduce the tax cost of those investments to the Fund.

h) Expenses

All expenses are recognized in the Statement of Comprehensive Income on an accrual basis. Brokerage commissions and other transaction costs are expensed in the period incurred, and are reported as "Transaction costs" in the Comprehensive Income.

i) Foreign currency balances and transactions

The fair values of investments and other assets and liabilities denominated in foreign currencies are converted into the Fund's functional currency at the rates of exchange prevailing on each valuation date. Purchases and sales of investments, income and expenses are converted at the rates of exchange prevailing on the respective dates of such transactions. Foreign exchange gains (losses) on completed transactions and cash balances are included in net realized gains (losses) on sale of investments and unrealized gains (losses) are included in change in unrealized appreciation (depreciation) in value of investments.

The Manager assessed the primary indicators (including the currency in which income is received and expenses are paid) and secondary indicators (including the currency in which funds from financing activities are raised) as prescribed by IFRS Accounting Standards, and as a result of this assessment has concluded that the functional currency of the Fund is the Canadian dollar (CAD).

j) Offsetting

Financial assets and liabilities are offset and the net amount is reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Funds may also enter into various master netting agreements or other similar agreements that do not meet the criteria for offsetting in the Statement of Financial Position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts.

k) Future changes in accounting policies

In April 2024, the International Accounting Standards Board issued IFRS 18, "Presentation and Disclosure in the Financial Statements" which aims to improve the quality of financial reporting by introducing new requirements which include new required categories and subtotals in the Statement of comprehensive income, enhanced guidance on grouping of information, and disclosure of Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements. IFRS 18 replaces IAS 1, "Presentation of Financial Statements". This standard is effective for annual periods beginning on or after January 1, 2027, with early adoption permitted. The Manager is currently assessing the impact of these new requirements.

In May 2024, the International Accounting Standards Board issued amendments to IFRS 9 and IFRS 7. These amendments relate to classification of financial assets and accounting for settlement by electronic payments in the context of the classification and measurement requirements in IFRS 9. The potential impact may include, but is not limited to, a change in timing of recognition and derecognition of financial instruments in certain situations in which settlement of a financial instruments with another takes more than a day. Similarly, a change may be required for entities that derecognize both trade payable and cash on the payment initiation date even if the creditor has not yet received the cash. However, an accounting policy choice is available for derecognizing certain financial liabilities that are settled using an electronic payment system subject to certain criteria being met. The amendments will be effective from January 1, 2026. Management is currently assessing the impact of the new standard, but it is not expected to have a significant impact on the Fund's financial statements.

Guardian i³ Global Dividend Premium Yield Fund

NOTES TO FINANCIAL STATEMENTS

3. Units:

The ETF Units are listed on the Toronto Stock Exchange (the "Exchange"), and investors can buy or sell ETF Units on the Exchange through registered brokers and dealers in the province or territory where the investor resides.

The Fund is authorized to issue an unlimited number of redeemable and transferrable Units. The Fund mainly offer any or all of these series - Series A, Series F, Series I, and ETF Units (each a "Series"). Each series of the fund may have specific characteristics such as minimum investment requirement, the compensation payable to dealers, distributions, expenses and currency hedging overlay strategies. The Units are redeemable at NAV per unit for the Series on demand. There are certain minimum purchase amounts for each Series of Units. The changes in the number of issued Units of each Series are disclosed in the Statement of Changes in Net Assets Attributable to Holders of Redeemable Units.

The capital of the Fund consists of the NAV. In accordance with the Fund's investment objectives stated in the Fund's Supplementary Schedules and the risk management policies stated in Note 8, the Fund invests its capital in appropriate investments.

The increase (decrease) in NAV from operations per Unit of a Series for the Fund is calculated by dividing the increase (decrease) in NAV from operations of the Series by the weighted average number of units of the Series outstanding during the year. The weighted average number of Units outstanding for each Series of the Fund is disclosed in such Fund's Supplementary Schedules.

Exchange of ETF Units of a Guardian Fund at NAV per ETF Unit for Baskets of Securities and/or Cash

On any Trading Day, a registered broker or a dealer may place a subscription or redemption order for the Prescribed Number of Units (PNU) or integral multiple PNU of a Guardian Fund.

Unitholders of a Guardian Fund may exchange the applicable PNU (or an integral multiple thereof) of the Guardian Fund on any Trading Day for Baskets of Securities and cash, subject to the requirement that a minimum PNU be exchanged. To effect an exchange of ETF Units of a Guardian Fund, a Unitholder must submit an exchange request in the form and at the location prescribed by the Guardian Fund from time to time at or before the applicable cut-off time, or such other time prior to the Valuation Time on such Trading Day as the Manager may permit. The exchange price will be equal to the NAV of each PNU tendered for exchange determined at the Valuation Time on the effective date of the exchange request, payable by delivery of a Basket of Securities (constituted as most recently published prior to the effective date of the exchange request) and cash. The ETF Units will be redeemed in the exchange. The Manager will also make available to Dealers and the Designated Broker the applicable PNU to redeem ETF Units of the Guardian Fund on each Trading Day. The effective date of an exchange request is the Trading Day on which the Valuation Time that applies to such redemption request takes place.

Redemption of ETF Units of a Guardian Fund for Cash

On any Trading Day, Unitholders of a Guardian Fund may redeem (i) ETF Units of the Guardian Fund for cash at a redemption price per ETF Unit equal to 95% of the closing price for the ETF Units on the Exchange on the effective day of the redemption, subject to a maximum redemption price per ETF Unit equal to the NAV per ETF Unit on the effective day of redemption, less any applicable Administrative Fee determined by the Manager, in its sole discretion, from time to time, or (ii) a PNU of a Guardian Fund or a multiple PNU of a Guardian Fund for cash equal to the NAV of that number of ETF Units of the Guardian Fund less any applicable Administrative Fee determined by the Manager, in its sole discretion from time to time.

4. Operating expenses:

The Fund's operating expenses consist of the management fee and administration fee paid to the Manager as described below, interest charges, fees and expenses of the Independent Review Committee, transaction costs, foreign withholding taxes when applicable, any new costs related to regulatory or legal requirements imposed upon the Fund, the HST on all of these expenses, and any income taxes to which the Fund may be subject. Management and administration fees as reported in the Statement of Comprehensive Income are due to the Manager and are considered to be related party transactions.

The NAV of the Fund attributable to Series A, Series F, and ETF Units, as applicable, is subject to a management fee charged to the Fund and payable to the Manager. The Series I Units are not subject to a management fee. Management fees in respect of Series I Units are agreed upon directly by the unitholders and the Manager and are paid by the unitholders to the Manager outside the Fund.

The Manager charges the Fund an administration fee at a fixed annual rate, based on the daily average NAV of the Fund. In return for the administration fee, the Manager pays certain variable operating expenses of the Fund, including audit, custody, transfer agency, fund accounting, filing, unitholder reporting, legal, other related expenses, and HST on these expenses. The administration fee and management fee rate paid by the Fund is disclosed in the Fund's Supplementary Schedules.

The management and administration fees are accrued daily and are payable monthly in arrears.

Any management fees charged on investments that are duplicative (charged on an investment, and charged a second time at the fund level) are reduced to unitholders by the extent of such duplication.

The Manager may, in its sole discretion, waive or absorb all or part of the Fund's Management Fee. The waiver or absorption of all or part of a Fund's Management Fee may change or cease to occur in the Manager's sole discretion.

Guardian i³ Global Dividend Premium Yield Fund
NOTES TO FINANCIAL STATEMENTS

4. Operating expenses (continued):

The fees paid or payable to PricewaterhouseCoopers LLP and other PwC Network firms for their services to these Funds for the period ended December 31, 2025 are: audit and audit related fees: \$17,067, and non-audit services fees: \$2,991.

5. Income taxes:

The Fund is a unit trust (and certain Funds qualify as mutual fund trusts) under the provisions of the Income Tax Act (Canada) and, as such, the Fund is not subject to income taxes on its net taxable capital gains and its net income for the year, if it distributes such gains and income (less any applicable losses carried forward) to its unitholders. As required by the Declaration of Trust, the annual taxable income of the Fund is allocated and distributed to its unitholders so as to eliminate any income taxes otherwise payable by the Fund. As a result, the Fund does not record a provision for Canadian income taxes. In addition, the Fund does not record the benefit of any income tax losses carried forward. The amounts of any tax losses available to be carried forward and applied against future capital gains or income by the Fund are disclosed in the Fund's Supplementary Schedules.

The Fund may incur foreign withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are disclosed separately as an expense in the Statement of Comprehensive Income.

For mutual fund trusts, income taxes payable on net realized capital gains are refundable on a formula basis when units of the Fund are redeemed. It is the intention of the Fund to pay out all net income and realized capital gains each year so that the Fund will not be subject to income taxes. Accordingly, no provision for income taxes is recorded.

If the Fund is not a mutual fund trust under the Tax Act throughout a taxation year, the Fund (i) may become liable for alternative minimum tax under the Tax Act in such year, (ii) would not be eligible for capital gains refunds under the Tax Act in such year, (iii) may be subject to the "mark-to market" rules and (iv) may be subject to a special tax under Part XII.2 of the Tax Act in such year.

As at December 31, 2025, the Fund has qualified as a Mutual Fund Trust for income tax purposes.

6. Soft dollar transactions:

Soft dollar transactions represent formal pre-arranged commitments whereby a portion of the brokerage commissions paid by a Fund are allocated according to a pre-determined formula as payment for certain products or services other than order execution.

There were no soft dollar transactions in any Fund during 2025.

7. Distributions:

Distributions to unitholders by the Fund are made on a periodic basis, and are reported in the Statement of Changes in Net Assets Attributable to Holders of Redeemable Units. Unitholders have the option to receive distributions in cash or reinvest the distributions into additional Units of that Series.

8. Financial risk management:

Material market disruptions, such as those caused by war, natural or environmental disaster, a widespread health crisis or pandemic, trade restrictions and protectionism, including the imposition of or increase in tariffs, terrorism, and related geopolitical risks may lead to increased market volatility in the short term and may have adverse long-term effects on local and world economies and markets, including U.S., Canadian and other economies and securities markets.

The Manager seeks to minimize potential adverse effects of risk on the Fund's performance by employing professional, experienced portfolio advisors; by daily monitoring of the Fund's positions and market events; by diversifying the investment portfolio within the constraints of the investment objectives; and by periodically using derivatives to economically hedge certain risk exposures.

The Fund's financial instruments consist principally of cash, short-term securities, derivative instruments and investments. The Fund is exposed to various types of financial risks that are associated with its financial instruments. The most material financial risks include market risk (which includes currency risk, interest rate risk and other price risk), concentration risk, liquidity risk and credit risk.

A portion of the assets of a Fund which holds derivative financial instruments are held by broker as margin or collateral. Margin or collateral may be comprised of cash or securities pledged. Securities pledged as collateral or deposited to meet margin requirements follow the fair value policies outlined above and are identified in the Schedule of Investment Portfolio. In addition, these securities are included in "Investments" in the Statement of Financial Position if held by the Fund.

On a daily basis, the Manager reviews the credit risk of all counterparties with which the Fund transact, and the credit rating of all investments, and ensures that they remain within established ranges of exposure as outlined in the Fund's investment policies. The Fund's custodian is approved by Canadian Securities Administrators to act as a custodian.

Guardian i³ Global Dividend Premium Yield Fund
NOTES TO FINANCIAL STATEMENTS

8. Financial risk management (continued):

These risks and related risk management practices employed by the Fund, and where applicable the Underlying Funds, are discussed below:

a) Market risk

Market risk consists of currency risk, interest rate risk and other price risk. The Manager monitors the Fund's overall market positions on a daily basis, and positions are maintained within established ranges as outlined in the Fund's investment policies. The market risk of the Fund is discussed below and further disclosed in the Fund's Supplementary Schedules.

(i) Currency risk

The Fund may hold monetary assets and liabilities that are denominated in currencies other than the functional currency of the Fund. The Fund may therefore be exposed to currency risk, as the value of the net assets denominated in other currencies will fluctuate with changes in exchange rates. The Fund may enter into currency forward contracts for hedging purposes to reduce their foreign currency risk. The risk of price fluctuations of non-fixed income securities resulting from the fluctuations of foreign currency exchange rates are discussed in other price risk. The currency risk of the Fund is disclosed in the Fund's Supplementary Schedules.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate in value with movements in future expected, or actual interest rates. The Fund's interest rate risk results from its investments in debt instruments, such as bonds and debentures, and interest rate sensitive derivative instruments, if any. The Manager moderates this risk through diversification of securities across various industry sectors and duration within specified limits as outlined in the investment policies of the Fund. The interest rate risk of the Fund is disclosed in the Fund's Supplementary Schedules.

(iii) Other price risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, Underlying Funds, derivatives and commodities. The maximum risk resulting from these financial instruments is equivalent to their fair value except for options on securities which might result in the forfeiture of the underlying security to satisfy the option. The other price risk of the Fund is disclosed in the Fund's Supplementary Schedules.

The Manager moderates this risk through a careful selection of securities within specified limits as outlined in the investment policies of the Fund, and through diversification of the investment portfolios.

b) Concentration risk

The Fund is exposed to the possible risks inherent in the concentration of the investment portfolios in a small number of industries, countries and other investment sectors. The Manager moderates this risk through diversification of investment sectors in which it invests, and a careful selection of securities in each investment sector within established ranges, as outlined in the investment policies of the Fund. The concentration risk of the Fund is disclosed in the Fund's Supplementary Schedules.

c) Liquidity risk

The Fund is exposed to daily cash needs related to the redemption of Units, and to the discharge of financial obligations related to their daily operations. The ability to meet these needs is managed, directly through Underlying Funds, by retaining sufficient cash within the Fund, and investing mainly in securities which are considered readily realizable and highly liquid. The Fund is subject to securities regulations which limit the amount of illiquid investments it may hold. In addition, the Fund may borrow from the Custodian on a short-term basis at the Canadian or United States bank prime rate plus 1.0%. All liabilities of the Fund are short-term in nature and are due within 60 days.

d) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Fund may be exposed to credit risk through their holding of debt securities and Underlying Funds which hold debt securities, and their dealings with counterparties to the over-the-counter derivative instruments held by the Fund. On a daily basis, the Manager reviews the credit risk of all counterparties with which the Fund transact, and the credit rating of all investments, and ensures that they remain within established ranges of exposure as outlined in the Fund's investment policies. The Fund can also be exposed to credit risk to the extent that the custodian may not be able to settle trades for cash. Canadian securities regulations require that the Fund employ a custodian that meets certain capital requirements. The Fund's custodian is approved by Canadian Securities Administrators to act as a custodian. The credit risk of the Fund is disclosed in the Fund's Supplementary Schedules.

Guardian i³ Global Dividend Premium Yield Fund
NOTES TO FINANCIAL STATEMENTS

9. Classification of financial instruments for fair value measurements:

The Fund's financial instruments which are recorded at fair value are categorized based upon a fair value hierarchy, which is as follows: Level 1 – quoted market prices; Level 2 – internal models using observable market information as inputs; and, Level 3 – internal models without observable market information inputs. The fair values of the Fund's financial instruments as categorized within the fair value hierarchy have been disclosed in the Fund's Supplementary Schedules, accompanied by a schedule of material transfers between these levels.

a) Equity investments and derivatives

The Fund's equity and derivatives investments are classified as Level 1 when the investment is actively traded and a reliable quoted market price is observable. Derivatives include options, and futures and any of which maybe long or short positions. Certain of the Fund's investments do not trade frequently and, therefore, observable prices may not be available. In such cases, fair value is determined using observable market data, and the fair value is classified as Level 2, unless the determination of fair values requires significant unobservable data, in which case the measurement is classified as Level 3.

b) Bonds and short-term securities

Bonds include government and corporate bonds and mortgage-backed securities. These instruments do not have quoted market prices, but are valued using market bid and ask prices where available. Since the inputs that are significant to valuation are generally observable, the Fund's bonds and short-term securities are classified as Level 2.

c) Foreign currency contracts

Foreign currency contracts do not have quoted market prices, but are valued using foreign currency bid and ask quotations. Since the inputs that are significant to valuation are generally observable, they are classified as Level 2.

10. Related party unitholders:

Units of the Fund which are held by the Manager, its affiliates and officers are disclosed in the Fund's Supplementary Schedules.

The Manager provides investment management services to the Fund, including the provision of key management personnel. The Manager, at its discretion, may voluntarily reimburse the Fund certain operating expenses and may discontinue reimbursing these expenses at any time. Amounts, if any reimbursed by the Manager towards operating expenses have been reflected in the Statement(s) of Comprehensive Income. Amounts not yet received but subject to reimbursement are reflected as Receivable from the Investment Manager in the Statement(s) of Financial Position.

Investments in underlying Guardian Funds are considered as investments in unconsolidated structured entities. These investments are included in the Schedule of Investment and discussed under the Investments in Unconsolidated Structured Entities Note. A Fund is indirectly exposed to the risks of the underlying Guardian Funds in which it invests.

11. Investments in unconsolidated structured entities:

From time to time, in accordance with their investment policies, the fund may invest in Underlying Funds, mortgage-related and other asset-backed securities, and other investments which are considered to be unconsolidated structured entities. The Fund's risk from structured entities is limited to the amounts invested by the Fund. The Fund's maximum exposure to loss from its interests in Investee funds is equal to the total fair value of its investments in investee funds. Details of investments in structured entities are provided in the Fund's Schedule of Investment Portfolio and supplementary schedules.



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You can find more information about each Fund in the Fund's Prospectus, Fund Facts or ETF Facts, as applicable, and in its respective Management Report of Fund Performance. For a free copy of these documents, call us toll free at 1-866-383-6546 or ask your investment advisor. You can also find these documents and other information about the Funds, at www.guardiancapital.com or at www.sedarplus.ca.

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