GUARDIAN i^3 GLOBAL DIVIDEND GROWTH FUND Q3 2023 MANAGER COMMENTARY

Market Review

In the third quarter of 2023, global equity markets grappled with a combination of positive and negative forces and, ultimately, concluded in a summertime decline driven by ongoing concerns about inflation, which continued to exceed target levels. Oil prices surged by more than 30% over the past three months, as the Organization of the Petroleum Exporting Countries' members have deepened their supply cuts due to concerns about global demand. Despite the US Federal Reserve Bank (Fed) opting for a 25 basis points hike during its July meeting, pushing the rates to 5.50% - the highest it's been in 22 years, there were still fears that the underlying inflationary pressures would remain sticky for a while. However, the market sentiment quickly swung from soft landing relief to concerns about "higher for longer" rates after the September meeting.

Meanwhile in China, the economic recovery stalled as data indicated a weaker property market, further amplifying concerns among global investors regarding potential worldwide consequences. In Europe, policy makers faced a dilemma with inflation still rising, the high borrowing costs and the downturn in China. It's against this backdrop that the European Central Bank decided to raise its key interest rate to 4%, immediately sending a message that the hiking cycle had reached its tail end.

In spite of this prevailing market volatility, recent economic indicators demonstrated consumer-driven resilience, suggesting continued growth, notwithstanding the burden of higher interest rates. Wage pressures gradually eased, signaling a more balanced supply and demand and instilling confidence that labor markets may continue to cool off. Amid the challenging supply-chain landscape, the U.S. Institute for Supply Management (ISM) Manufacturing Purchasing Managers' Index (PMI) showed signs of improvement, reflecting a move toward recovery driven by an increase in factory employment and a rise in new orders. However, it should be noted that U.S. ISM Services PMI has contracted, led by a decline in non-manufacturing new orders, contributing to the aforementioned market volatility.

Value stocks demonstrated notable resilience compared to their pricier Growth stock counterparts, buoyed by a robust performance in the Energy sector. Despite facing the negative energy shock and higher rates, Growth stocks have still outperformed significantly when considering performance year-to-date. In this climate, economic and earnings growth forecasts, which faced downgrades earlier in the year, have adjusted upward, and concerns about a significant near-term economic downturn have been muted.

In Canadian dollar terms, both the MSCI World Index and S&P 500 Index ended the quarter down approximately 1%. The best performing sectors were the Energy, Communication Services and Financials, while Utilities, Real Estate, and Consumer Staples sectors lagged.

GUARDIAN CAPITAL™

Performance Attribution

The Guardian i³ Global Dividend Growth Fund (the "Fund") did slightly better than the MSCI World Index in Q3.

On a sector level, Health Care was the largest contributor to relative performance. Positions in Novo-Nordisk, AbbVie, Amgen and United Health Group led to a positive stock selection effect. Oil rallied this quarter and the Fund's overweight in Energy led to a positive allocation effect. Strong performance from Costco led to a positive selection effect on Fund performance from the Consumer Staples sector. An underweight in Utilities stocks led to a positive allocation effect in the Utilities sector.

In the Communications Services sector, a continuation of the rally in benchmark heavy names Alphabet and Meta outperformed. The Fund's positions in Verizon, Bell Canada and Telus led to a negative stock selection effect. Positions in ASML and Apple led to a negative stock selection effect in the Information Technology sector. In the Industrials sector, the Fund's positions in Waste Management and Schneider Electric positions led to a negative stock selection effect.

Positions in LVMH and McDonald's led to a negative stock selection effect in the Consumer Discretionary sector. In the Financials sector, RBC underperformed the sector and led to a negative stock selection effect.

Portfolio Transactions

There were no transactions in the third quarter.

Portfolio Outlook & Positioning

The Manager's i³ Investments™ team has a core belief that successful asset management is focused on three core pillars of investment, Growth, Payout and Sustainability. For outlook and positioning, the i³ Investments™ team will address each of these core pillars.

Growth — With respect to profitability, we continue to see flattening or declining earnings. According to our AI Model* forecasts, Earnings Per Share (EPS) growth rates predicted a decline for 2023 and may stay lower for the next few months but stabilize and move higher into 2024 with projected growth rates from 5-20% in most sectors globally. In the US, consumers appear to have accounted for economic headwinds (e.g., slowed housing and tighter lending standards having a negative effect on potential capital expenditure) as our earnings growth forecasts have seen the greatest recovery in the Consumer Discretionary sector. In Europe, growth in Information Technology companies is continuing to catch up to their US counterparts. We are also seeing a recovery in earnings growth, as predicted by our AI model*, in cyclical Energy and commodity stocks, which would support late-cycle growth in both price appreciation and cash flow growth. We see the strongest revenue and cash flow growth from secular companies that are thematically driven, especially in the area of technology and industrial automation. AI demand is certainly a tailwind, as well as continued chip re-shoring, and the implementation of AI into Software as a Service (SaaS) in multiple industries.

Focusing on companies with positive earnings growth coupled with strong dividend growth, in an environment that has seen declining earnings, is imperative. The Manager's dividend growth predictions* came down since the end of 2022, but are on the rise near the end of 2023 and into 2024. In the US, our models predict the strongest dividend growth from the Consumer Discretionary sector, with the lower dividend growth from Utilities and Communication

Services. Dividend growth estimates have a wider sector dispersion in Europe with Financials, Energy and Consumer Discretionary being the strongest sector, and the Materials and Real Estate sectors being the lowest for dividend growth forecasts. With AI predictions* of Earnings Per Share (EPS) flat-lining and starting to increase near the end of 2023 and the beginning of 2024, dividend growth is following the same trajectory. EPS looks stronger in the US, but we are also seeing a bottoming in Europe and strength beginning near year-end. In Europe, we favour the higher-yielding companies with a low probability of dividend cuts, while in the US, we are more positioned for dividend growth. Over the past 12 months 100% of the companies in the Fund's portfolio have increased their dividends.

Payout — We focus on dividend growth as we believe a yield-for-yield sake approach is not beneficial. This is especially apparent in a higher-rate environment where credit is much more important. The Fed did not raise rates at the September meeting but the comments were more hawkish, which led to a selloff in the bond markets. Higher rates for longer continue to be the view and, in this scenario, we are continuing to see higher-yielding sectors at risk as seen by the underperformance of Utilities, Real Estate, Telecommunications and other bond proxies. The mandate is positioned well for a higher-rate environment. The Fund holds one Real Estate Investment Trust (REIT) and one Utility stock, and the underweight in these sectors has been beneficial to performance. With the inconsistent signalling based on this quarter's economic indicators and the Fed's more hawkish comments in September, volatility in the markets increased, with the CBOE Volatility Index trading under 13% in mid-September and rising above 18% at the end of September. We believe that we are in a phase when profitability, stability and safety need to be embraced, not just in the short term, but structurally for higher-for-longer rates.

Sustainability (of cashflows) —This originates from companies with solid free cash flow, earnings and strong balance sheets. These companies have the ability to continue to grow dividends with a low probability of dividend cuts. According to our AI Model* forecasts, regionally, the probability of dividend cuts is lower in the US than it is in Europe. In the US, our models are forecasting the probability of cuts moving lower mid 2024 which coincides with the earnings recovery our models are predicting. Again, there is more dispersion between the sectors in probabilities of dividend cut forecasts in Europe and the highest two areas of forecasted dividend cuts are in the European REITs and Materials sectors. In the Information Technology, Health Care (especially in Europe), Industrial and Consumer Staples sectors, we are seeing stronger cash flow with less variability, which could lead to sustainable long-term dividend growth.

The Fund is overweight the Energy, Consumer Staples and Health Care sectors and underweight the Consumer Discretionary, Communication Services, Financials and Utilities sectors. Regionally, the Fund has approximately a 35% weight in Europe, 64% in North America and 1% in Asia and the Pacific Basin.

After years of muted performance versus other equity styles, we believe it is time to consider the duration and credit cycles within the dividend asset class. We believe in owning companies that can continue to reward shareholders through dividends, buybacks and debt reduction, combined with careful consideration of stock and sector allocations.

* The i³ Investments™ Team is a portfolio management team with Guardian Capital LP, that combines artificial intelligence and human intelligence to provide a modern approach to portfolio construction, incorporating the advantages of big data with the experience and perspective of our investment team. Investment strategies which rely on predictive artificial intelligence and quantitative models may perform differently than expected as a result of, among other things, the factors used in the models, the weight placed on each factor, changes from the factors' historical trends and technical issues in the construction and implementation of the models. Please consider these and other factors carefully and not place undue reliance on modeled information. There is no guarantee that the use of the quantitative model will result in effective investment decisions, as the simulated results are subject to inherent limitations.

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