



# Sustainable Funds

## Diversified, multi-asset ESG solutions

Our Sustainable Funds combine simplicity and ease-of-use with a purpose rooted in ESG (environmental, social, and governance) and professionally managed solutions. They were designed to help build and preserve wealth while contributing to a sustainable world.

These multi-asset, innovative solutions aim to achieve their investment objectives primarily through investment in Guardian mutual funds and ETFs and/or third-party mutual funds and ETFs (the “underlying funds”).

# Our Sustainable Funds provide several important benefits:

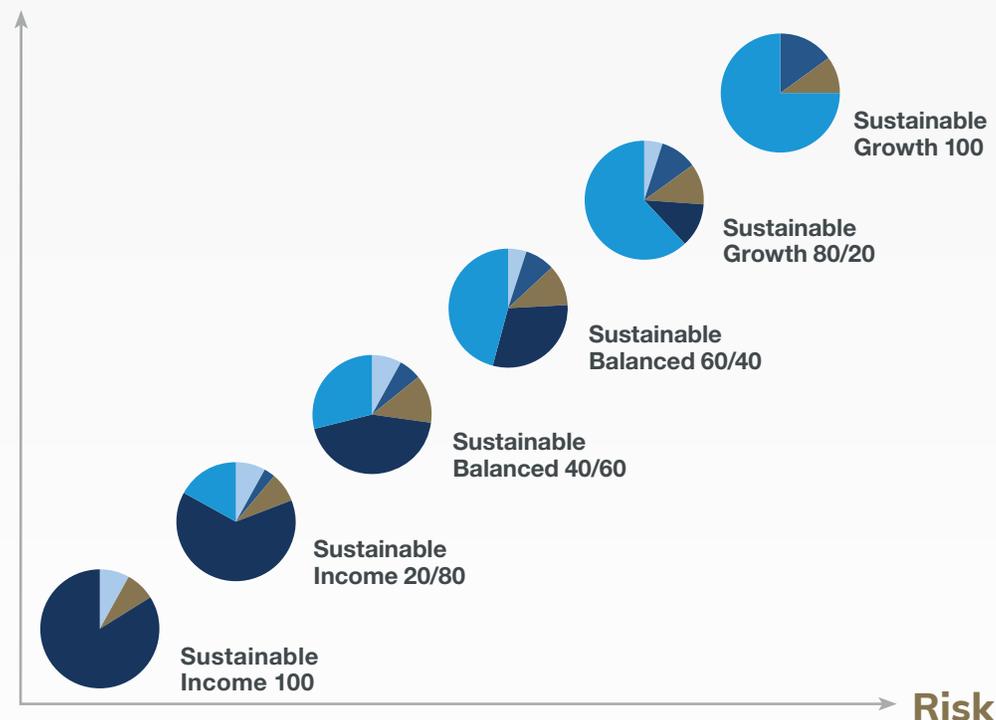
- 1 Applying responsible investing principles**  
 The Sustainable Funds seek to align investment exposure with ESG values. They do so by applying a high standard of ESG oversight, based upon disciplined and objective scrutiny.
- 2 Leveraging 60 years of leadership in institutional asset management**  
 Driven by the insights of Guardian Capital LP's (GCLP) Asset Mix Committee, a team of experienced investment professionals, the Sustainable Funds are built and actively managed using similar sophisticated investment tools and techniques as large institutions, seeking to deliver optimal investment outcomes.
- 3 Diversification in a simple, convenient package**  
 The Sustainable Funds not only invest across a wide variety of asset classes, countries and sectors, but also across various styles, factors and themes in an effort to best capitalize on opportunities and manage volatility. The Funds are also diversified by holding a collection of underlying mutual funds and ETFs managed by GCLP and other managers, allowing for flexibility.

► All of these benefits are available in a single fund that can be specifically chosen to align with your risk tolerance.

## Strategic Asset Allocation Targets\*

The manager aims to invest in underlying funds that focus on the below asset groups:

### Return



- Equities**  
 Stocks/shares that represent an ownership stake in a company. Largely used as vehicles to achieve capital growth.
- Income**  
 Primarily refers to investment income earned from bonds. These positions tend to be more conservative than equities, and therefore are better positioned to preserve capital.
- Thematic Assets**  
 Investment exposure in assets that are related to improving social or environmental sustainability.
- Real Assets**  
 Refers to assets that are "hard" or tangible, like real estate and infrastructure. These types of securities can be beneficial diversifiers as they tend to perform differently than stocks or bonds.
- Liquid Alternatives**  
 Investment funds whereby the portfolio manager is afforded considerable flexibility to utilize certain sophisticated investment tools, often as a way to manage volatility and/or enhance the level of income earned.

\*For Illustrative Purposes Only.  
 The manager aims to invest in underlying funds that focus on the above asset groups. Figures represent strategic targets only and may be subject to change over time.



# Investment process and ESG integration

GCLP’s portfolio management team employs sophisticated techniques to build and manage the Sustainable Funds. They seek to deliver results through the utilization of underlying funds whose fund manager is a signatory of the United Nations-supported Principles of Responsible Investment, and with Above Average Morningstar® Sustainability Ratings.™ Additionally, they aim to achieve this by focusing on ESG-specific and thematic underlying funds, such as those focused on clean energy or green bonds.

1

## ASSET ALLOCATION

Each Sustainable Fund aims to stay true to its strategic asset allocation target through regular rebalancing. The manager has flexibility to deviate slightly from the target mix based on their view of opportunities or near-term risks.

2

## SCREENING

Once the asset allocation is set, the manager screens the investable universe for underlying funds that best meet high sustainability standards, along with prospects for attractive risk-adjusted returns. Underlying funds with Below-Average Sustainability Ratings, regardless of total return potential, cannot be included in the Sustainable Funds’ portfolios.

| Distribution of Historical Portfolio Sustainability Scores | Rating Icon   | Rating        |
|--|---|---------------|
| Best 10% - Lowest Risk                                     |  | High          |
| Next 22.5%   |  | Above Average |
| Next 35%   |  | Average       |
| Next 22.5%   |  | Below Average |
| Worst 10% - Highest Risk                                   |  | Low           |

### What is a Morningstar® Sustainability Rating™?

The Morningstar® Sustainability Rating™<sup>1</sup> is a measure of how well the holdings in a fund are managing their ESG risk relative to the fund’s global peer group.

The Sustainable Funds will generally maintain an Above Average sustainability rating, placing them in the top third of their global category.

3

## RESEARCH

The manager performs in-depth due diligence on the shortlist of underlying funds derived from the screening process, to ensure they have confidence that each underlying fund is suitable for inclusion in the Sustainable Funds before investing.

4

## PORTFOLIO CONSTRUCTION

Beyond looking at the individual merits of each underlying fund, the manager seeks to incorporate underlying funds that work well together. Incorporating underlying funds with low correlation to one another helps to minimize risk and aims to smooth out potential volatility.



# Choose the Sustainable Fund that's right for you.

## Sustainable Income 100 Fund

This fund holds 100% income-producing securities to emphasize income-generation and help preserve capital.

Series A GCG509 | Series F GCG609

## Sustainable Income 20/80 Fund

This fund targets holding 20% equities and 80% fixed income to emphasize income-generation potential.

Series A GCG508 | Series F GCG608

## Sustainable Balanced 40/60 Fund

This fund aims to balance income-generation with capital growth by targeting a mix of 40% equities and 60% fixed income.

Series A GCG507 | Series F GCG607

## Sustainable Balanced 60/40 Fund

This fund aims to balance capital growth with income generation by targeting a mix of 60% equities and 40% fixed income.

Series A GCG506 | Series F GCG606

## Sustainable Growth 80/20 Fund

This fund targets holding 80% equities and 20% fixed income to emphasize capital growth potential.

Series A GCG505 | Series F 6CG605

## Sustainable Growth 100 Fund

This fund features 100% equities for long-term capital growth potential.

Series A GCG04 | Series F GCG604

## ► Your prosperity journey starts here.

Contact your financial advisor to discuss how Guardian's investment solutions can help optimize your portfolio.

[www.guardiancapital.com/investmentsolutions](http://www.guardiancapital.com/investmentsolutions)

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<sup>1</sup>The Morningstar® Sustainability Rating™ is intended to measure how well the issuing companies of the securities within a fund's portfolio are managing their environmental, social, and governance ("ESG") risks and opportunities relative to the fund's Morningstar category peers, and is updated monthly. The Morningstar Sustainability Rating is depicted by globe icons where 5 globes equals High ranking (lowest ESG Risk) and 1 globe equals Low ranking (highest ESG Risk) compared to category peers, based off each fund's Morningstar® Portfolio Sustainability Score™. A Sustainability Rating is assigned to any fund that has more than half of its underlying assets receiving an ESG Risk Rating from Sustainalytics, and is within a Morningstar Category with at least 10 scored funds; therefore, the rating it is not limited to funds with explicit sustainable or responsible investment mandates. Please refer to <http://corporate1.morningstar.com/SustainableInvesting/> for more detailed information about the Morningstar Sustainability Rating and its calculation. Sustainalytics is an ESG and corporate governance research, ratings, and analysis company affiliated with Morningstar, Inc. © 2022 Morningstar®. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. Morningstar is an independent organization that groups investment funds with generally similar investment objectives for comparison purposes and ranks them on a historical basis. Ratings and/or ranking information is portfolio-based, not performance-based and is subject to change monthly. They do not reflect a fund's performance on either an absolute or risk-adjusted basis, nor are they a qualitative Morningstar evaluation of a fund's merits. They should not be the sole basis for an investment decision.

Please read the Fund Facts or prospectus before investing. Important information about the Sustainable Funds is contained in its prospectus. Contact your advisor or visit the Sustainable Funds' website at: [www.guardiancapital.com/investmentsolutions](http://www.guardiancapital.com/investmentsolutions) or [www.sedar.com](http://www.sedar.com) to obtain a copy of the Fund's prospectus and Fund Facts. Commissions, trailing commissions, management fees and expenses all may be associated with investments in mutual funds. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. These mutual funds are offered in Canada only. This information is not intended for distribution into any jurisdiction where such distribution, publication, availability or use is restricted by law or regulation. This communication is for informational purposes only and does not constitute investment or financial advice or a recommendation to buy, sell or hold a security, and shall under no circumstances be considered an offer or solicitation to deal in any product or service mentioned herein.

Responsible investing may incorporate considerations beyond traditional financial information into the investment selection process. This could result in investment performance deviating from other products with comparable objectives or broad market benchmarks. Please review the Fund's prospectus for details on how the Fund's investment strategy incorporates responsible investing considerations and the associated risks, and consult your financial professional prior to investing. Guardian Capital LP is a signatory of the UN-supported Principles for Responsible Investment (UN PRI), and our Responsible Investing policies are publicly available on our website at: <https://www.guardiancapital.com/investmentsolutions/responsible-investing>.

Guardian Capital LP manages portfolios for defined benefit and defined contribution pension plans, insurance companies, foundations, endowments and investment funds. Guardian Capital LP is wholly-owned subsidiary of Guardian Capital Group Limited, a publicly traded firm listed on the Toronto Stock Exchange. For further information on Guardian Capital LP and its affiliates, please visit [www.guardiancapital.com](http://www.guardiancapital.com).

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