

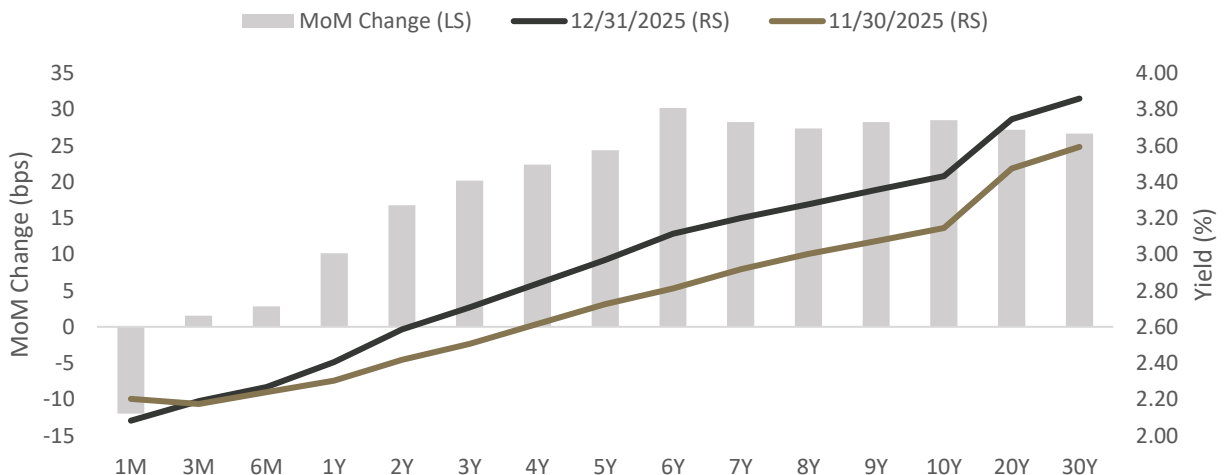
AHEAD OF THE CURVE

DECEMBER 2025 BOND MARKET RECAP AND OUTLOOK

RECAP

- Canadian bond markets were under pressure to close 2025, as upward surprises in data on growth, employment and inflation led markets to higher rates across the yield curve. The broader domestic fixed income market, represented by the FTSE Canada Universe Bond Index, delivered a return of -1.28% for the month of December (its worst month since April 2024).
- U.S: The Federal Reserve ('Fed') lowered the federal funds target rate by 25 bps points from 4.00% to 3.75%, citing uncertainty regarding the economic outlook remains elevated and an increase in the downside risks to employment as reasons for cutting rates.
- Canada: The Bank of Canada ('BoC') held its target rate for the overnight rate at 2.25%, as the labour market showed some signs of improvement over the past three months, while inflation has been close to 2% for more than a year.
- The net effect was a steepening of shorter Canadian yield curve tenors, with short-term bond yields rising by a lesser extent than mid-term bond yields. Longer tenor curve relationships marginally flattened with mid-term bond yields rising by a greater extent than long-term bond yields. Shorter-term bonds outperformed (FTSE Canada Short Term Overall Bond Index; -0.25%) mid-term bonds (FTSE Canada Mid Term Overall Bond Index; -1.08%) and longer-term bonds (FTSE Canada Long Term Overall Bond Index; -3.11%).
- Credit spreads on investment-grade corporate bonds (Bloomberg Canada Aggregate Corporate Bond Index) tightened (~ 5 basis points) month-over-month.

Canada Sovereign Yield Curve



Source: Guardian Capital based on month over month (MoM) change data for the FTSE Canada Universe Bond Index from PC Bond, and data from Bloomberg for the Canada Sovereign Curve rates (ID: YCGT0007); as at December 31, 2025

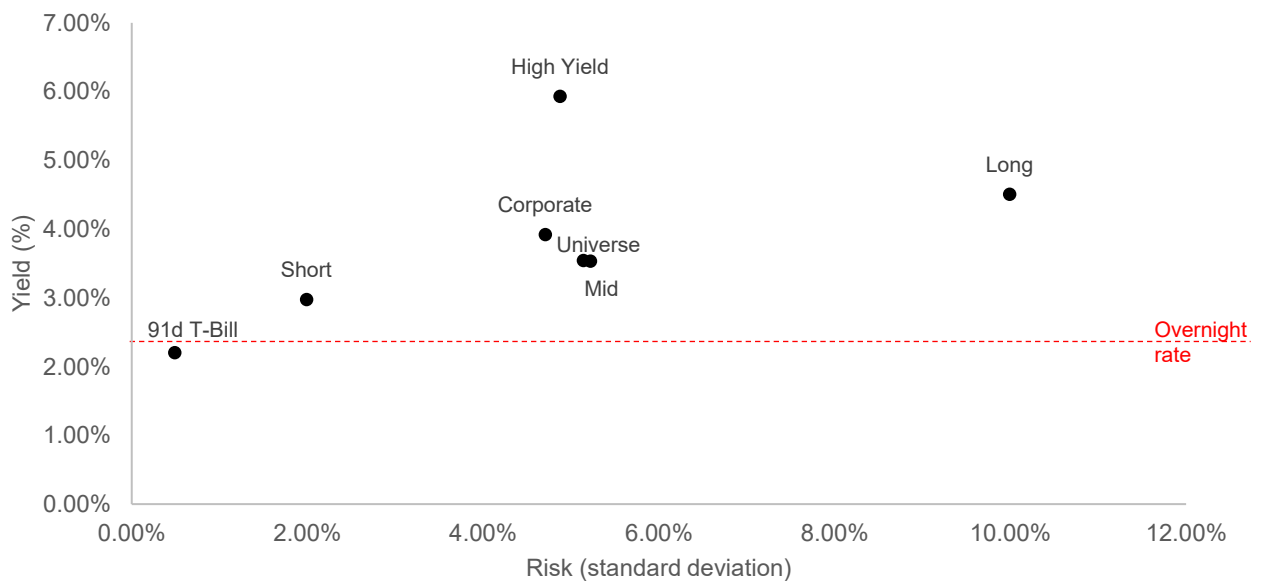
THE LOOK AHEAD

- Despite Canada's positive Q3 GDP surprise, economic growth is expected to remain subdued and gradually recover over the medium-term due to continued uncertainty on U.S. trade.
- Overnight index swaps (OIS) pricing suggests that Bank of Canada is not expected to implement further rate cuts.

POSITIONING OPPORTUNITIES

- For investors seeking to reduce the reinvestment risk associated with Guaranteed Investment Certificates (GICs) and high-interest savings accounts (HISAs) due to short-term yields moving lower, GuardBonds™, a suite of target maturity funds, provide attractive yields and offer the potential for greater tax efficiency because of the capital gains potential embedded in purchasing of discount bonds. Additionally, GuardBonds™ are able to provide daily liquidity to investors unlike non-redeemable GICs, which may penalize investors for early redemption.
- For the Guardian Strategic Income Fund, the Manager is targeting idiosyncratic bond issuers that are expected to have a lower correlation compared to larger issuers that may be more sensitive to high yield ETF fund flows.
- In the Guardian Investment Grade Corporate Bond Fund, the Manager has made some incremental switches in bond holdings further out on the term structure, where the credit spread curve looks attractive.
- The Manager is seeking to maximize return from yield curve roll-down* and mitigate credit spread exposure in the Guardian Canadian Bond Fund by allocating towards mid-term Federal Agency bonds.

Risk-For-Yield Spectrum



Source: Guardian Capital, PC Bond, and Bloomberg as at December 31, 2025. Details of the Indexes used in the chart above can be found on page 5.

*When the yield curve is upward sloping, bonds with longer maturities have higher yields than shorter-term bonds. As time passes, those longer maturity bonds “roll down” to a lower rate on the yield curve, resulting in capital appreciation.

GUARDIAN FIXED INCOME FUNDS | Current Positioning

GuardBonds™ Investment Grade Bond Funds

- A suite of actively managed, defined maturity bond funds, that can be used to efficiently construct customized bond ladders.
- Mostly invested in Investment Grade bonds purchased at a discount, to take advantage of capital gains potential.²
- Excellent GICs alternative; more liquid¹ and tax efficient.²

Guardian Canadian Bond Fund

- Similar profile relative to its benchmark, the FTSE Canada Universe Bond Index.
- Higher concentration in mid-term key rates (5-, 7-, and 10-year key rates) but approaching neutral in long-term key rates (i.e., 30-year key rate)
- Overweight exposure in short-term corporate bonds, but a lower relative contribution to spread duration. Relative excess exposure to spread sensitivity is predominantly allocated to mid-and-long-term Provincial bonds.

Guardian Investment Grade Corporate Bond Fund

- Similar duration profile relative to its benchmark, the FTSE Canada Mid Term Corporate Bond Index.
- Higher concentration in 3-, 7-, and 10-year key rates and lower concentration in 5-year key rates, relative to the benchmark.
- Overweight bonds within the Real Estate, Energy, and Communications sectors and underweight bonds within the Infrastructure and Financial sectors.
- Maintains a small, strategic allocation to government bonds.

Guardian Strategic Income Fund (Alternative Fund)*

- Maintained tactical US-Canada 10-year futures trade (i.e., long US 10-year, short Canada 10-year).
- Maintained tactical US yield curve steepener futures trade (i.e., long 2-year, short 10-year).
- Maintained credit default swap hedge (i.e., credit hedge).
- Took profits on outperformers within the Energy sector and increased exposure to the Real Estate and Technology & Media sectors.

¹ Each GuardBonds™ fund, despite having a specified maturity date, is fully liquid (intra-day liquidity on the ETF versions, daily liquidity on the mutual fund versions). GICs – even those of the redeemable variety – do not offer the same option for liquidity should it be needed.

² Each GuardBonds™ fund prioritizes holding bonds trading at a discount with the intention of holding them until maturity. When a discount bond matures at par value, the price appreciation is treated as a capital gain. Total return on a GuardBonds™ fund is expected to consist of bond interest income and capital gains. GICs, on the other hand, are always fully taxed as interest income.



Canada's 2025 LSEG Lipper Fund Award-Winning Fixed Income Lineup

The Canada Group Award was based on risk-adjusted performance over 3 years for the following Guardian Capital Funds:

- GC One Fixed Income Portfolio (Series A)
- Guardian Investment Grade Corporate Bond Fund (Series F)
- Guardian Canadian Bond Fund (Series F)
- Guardian Short Duration Bond Fund (Series F)
- Sustainable Income 100 Fund (Series CCF)

LSEG



Lipper Fund Awards

Winner 2025
Canada

Source: LSEG based on Guardian Capital's Fixed Income Fund performance as at July 31, 2025. See disclosure page at the end of for full details and disclaimers.

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DECEMBER 2025 BOND MARKET RECAP AND OUTLOOK

FUND DETAILS

	FUND NAME	ETF	SERIES F	CHARACTERISTICS OF PORTFOLIO HOLDINGS					
				CURRENT YIELD	DURATION (YRS)	YTM	COUPON	AVERAGE PRICE	AVG QUALITY
MONEY MARKET	Guardian Ultra-Short Canadian T-Bill Fund	GCTB	GCG6101	N/A	0.10	2.22 [†]	N/A	99.75	R-1(H)
	Guardian Ultra-Short U.S. T-Bill Fund (USD)	GUTB.U	GCG6102	N/A	0.14	3.47 [†]	N/A	99.48	A-1+
	FTSE Canada 30-Day T-Bill Index			-	-	2.17	N/A		
TARGET MATURITY	GuardBonds™ 2026 Investment Grade Bond Fund	GBFC	GCG6105	1.77	0.64	2.53	1.76	99.81	A
	GuardBonds™ 2027 Investment Grade Bond Fund	GBFD	GCG6106	1.88	1.45	2.76	1.86	99.01	A
	GuardBonds™ 2028 Investment Grade Bond Fund	GBFE	GCG6108	2.17	2.33	3.01	2.13	98.49	A
	GuardBonds™ 2029 Investment Grade Bond Fund	GBFF	GCG6109	2.67	3.39	3.30	2.62	98.22	A
	GuardBonds 1-3 Year Laddered Investment Grade Bond Fund	GBLF	GCG6107	1.94	1.47	2.77	1.92	99.09	A
SHORT DURATION	Guardian Short Duration Bond Fund	N/A	GCG603	3.48	2.74	3.01	3.43	98.65	AA
	Guardian Strategic Income Fund*	GSIF	GCG602	6.09 [^]	3.21	7.03 ^{^^}	6.84	100.99	BB
	FTSE Canada Short Term Overall Bond Index			3.19	2.75	2.97	3.20	100.31	AA
UNIVERSE	Guardian Fixed Income Select Fund	N/A	GCG601	3.65	4.44	3.49	3.64	99.80	A
	Guardian Investment Grade Corporate Bond Fund	GIGC	GCG694	4.61	5.93	4.24	4.82	104.62	BBB
	Guardian Canadian Bond Fund	G CBD	GCG654	3.67	7.13	3.52	3.55	96.76	AA
	GC One Fixed Income Portfolio	N/A	GCG 696	4.07	6.23	3.89	4.10	99.35	A
	FTSE Canada Mid Term Corporate Bond Index			4.57	5.91	4.20	4.71	103.15	BBB
	FTSE Canada Universe Bond Index			3.55	6.93	3.54	3.46	97.48	AA

Source: Guardian Capital based on data from PC Bond, Bloomberg as at December 31, 2025

Characteristics of Portfolio Holdings: The Current Yield, Duration, Yield to Maturity, Coupon, Average Price and Average Quality shown are based on the weighted average of the securities held in the respective Funds' portfolio, and for the comparative benchmarks they are based on the weighted average of the Index constituents. These characteristics are not the yield, distribution rate or performance return of any Fund and are not intended to represent the distribution or return experience of any unitholder, unless otherwise specified. It is only intended to give investors an idea a particular portfolio characteristic of the underlying securities held in the Fund's portfolio.

Current Yield: The Current Yield is calculated as the weighted average coupon over the weighted average price of the bonds in the portfolio, as of the date specified and does not represent an actual one-year return. **^Note: For the Strategic Income Fund** the yield value reported in the Current Yield column is its **Distribution Yield**. Distribution Yield is based on Series F distributions per unit over the trailing 12-month period, divided by the end of period unit price. This is a more appropriate measure of the rate of income an investor may expect from the Fund than Current Yield because the Fund may invest in non-coupon paying securities (i.e., futures, options, forwards, etc.) compared to traditional fixed income funds.

YTM: The Yield to Maturity (YTM) shown is the current yield-to-maturity, gross of fees, based on the current market price of the underlying portfolio holdings as at the date indicated. These yields will fluctuate regularly. YTM represents the expected annual rate of return earned on a bond under the assumption that the debt security is held until maturity. **†Note: For the T-Bill Funds**, the YTM value shown is Yield to Maturity at Cost or **YTM (at Cost)**, which is the weighted average YTM (at Cost) of each of the underlying T-Bill securities in the portfolio, net of cash. YTM (at Cost) means the percentage rate of return paid if the T-Bill security is held to its maturity date from the original time of purchase. The calculation is based on the coupon rate, length of time to maturity, and original price of the underlying T-Bill securities. **^^Note: For the Strategic Income Fund** the YTM value shown is **Yield to Worst (YTW)**, given the Fund mostly holds high yield securities. YTW represents the expected annual rate of return earned on a bond under the assumption that the debt security is repaid in full ahead of schedule by the issuer. YTW is lower than YTM given the bond would be held over a shorter period, and is more commonly used for high yield securities like the majority of securities in the Guardian Strategic Income Fund's portfolio.

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LSEG Lipper Fund Award Disclosures

Firm Name	Asset Class Group	Award	Recognition
Guardian Capital LP	Bond	Canada 2025 Best Bond Fund Family Group	Trophy

The 2025 Canada Group Award was based on risk-adjusted performance over 3 years for the following Guardian Capital Funds:

- GC One Fixed Income Portfolio (Series A)
- Guardian Investment Grade Corporate Bond Fund (Series F)
- Guardian Canadian Bond Fund (Series F)
- Guardian Short Duration Bond Fund (Series F)
- Sustainable Income 100 Fund (Series CCF)

Source: LSEG based on Fund performance as at July 31, 2025. * LSEG Classification uses CIFSC categories in Canada, rather than Lipper Global classifications. Canadian Investment Funds Standards Committee (CIFSC) is a Canadian independent organization that defines the categories of funds.

About the Lipper Methodology

From LSEG Lipper Fund Awards © 2025 LSEG. All rights reserved. Used under license. The LSEG Lipper Fund Awards for Canada are granted annually and highlight funds and fund companies that have excelled in delivering consistently strong risk-adjusted performance relative to their peers. The LSEG Lipper Fund Awards are based on the Lipper Leaders Rating for Consistent Return, which is an objective, quantitative, risk-adjusted performance measure calculated over 36, 60 and 120 months. The fund with the highest Lipper Leader for Consistent Return (Effective Return) value in each eligible classification wins the LSEG Lipper Fund Award that year. LSEG Group is a leading global financial markets infrastructure and data provider. For more information please refer to their website at: www.lipperfundawards.com. Although LSEG Lipper makes reasonable efforts to ensure the accuracy and reliability of the data used to calculate the awards, their accuracy is not guaranteed.

Lipper Leaders Rating for Consistent Return

The Lipper Leaders Rating System includes Lipper Ratings for Consistent Return, which reflects a fund's historical risk-adjusted returns relative to funds in the same classification, and takes into account both short- and long-term risk-adjusted performance, together with a measure of a fund's consistency. The measure is based on the Lipper Effective Return computation. Effective Return is a risk-adjusted return measure that looks back over a variety of holding periods (measured in days, weeks, months, and/or years). The overall calculation is based on an equal-weighted average of percentile ranks of the Consistent Return metrics over three, five-, and ten-year periods (if applicable). The highest 20% of funds in each classification are named Lipper Leaders for Consistent Return, with a rating of 5, the next 20% receive a rating of 4, the middle 20% are rated 3, the next 20% are rated 2, and the lowest 20% are rated 1. Lipper Leaders Ratings are subject to change every month.

Lipper Asset Class Group Awards

Asset class group awards for Canada will be given to the best fund family group with at least three equity, bond or mixed-asset portfolios in the respective asset class. The highest average decile rank of the three years' Lipper Leader for Consistent Return (Effective Return) measure of the eligible funds per asset class group will determine the award winner over the three-year period. In cases of identical results, the higher average percentile rank will determine the winner.

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DECEMBER 2025 BOND MARKET RECAP AND OUTLOOK

***The Guardian Strategic Income Fund is an alternative mutual fund.** It is permitted to invest in asset classes or use investment strategies that are not permitted for other types of mutual funds. The specific strategies that differentiate this Fund from other types of mutual funds include borrowing cash, engaging in short selling and investing in specified derivatives. While these strategies will be used in accordance with the Fund's objectives and strategies, during certain market conditions they may accelerate the pace at which your investment changes in value. This Fund also pays the Manager a Performance Fee equal to 15% of the amount by which the Investment Performance of the applicable series of Units exceeds the aggregate of the High Water Mark and the cumulative Hurdle Amount during the Performance Period. Please refer to the Fund's prospectus for additional details. Statistics only reflect bond segment.

For more information on the financial terms used in this document, please refer to the **Glossary of Financial Terms** on our website at: <https://www.guardiancapital.com/investmentsolutions/glossary-of-terms/>

****Fixed Income Risk-for-Yield Spectrum chart**

91 Day T-Bill:	FTSE Canada 91 Day T-Bill Index, which tracks Canadian Treasury Bills with maturities of 91 days.
Short:	FTSE Canada Short Term Overall Bond Index, which tracks bonds with maturities of 1-5 years.
Mid:	FTSE Canada Mid Term Overall Bond Index, which tracks bonds with maturities of 5-10 years.
Universe:	FTSE Canada Universe Bond Index, which tracks the universe of corporate and government bonds within Canada.
Long:	FTSE Canada Long Term Overall Bond Index, which tracks bonds with maturities over 10 years.
Corporate:	FTSE Canada All Corporate Bond Index, tracks corporate bonds within Canada.
High Yield:	FTSE Canada High Yield Bond Index, which tracks high yield bonds within Canada.

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