GUARDIAN CAPITAL™

GuardBonds™

Defined maturity investment grade bond funds*

Defined maturity + active management + tax efficiency[6]

* GuardBonds™ are managed and advised by Guardian Capital LP.

A better way to buy bonds...

What are GuardBonds™?

GuardBonds™ is a suite of actively managed, defined maturity bond portfolios focused on Canadian investment grade exposure. The suite consists of individual funds maturing in each of the next several calendar years, with a new maturity option launched every year. A 1-3-year laddered fund-of-funds version is also available that provides roughly equally weighted exposure to bonds maturing in one, two and three years.

Defined maturity

As the name implies, a defined-maturity bond strategy is a strategy where the bonds in the portfolio are held until the maturity of those bonds. This is a markedly different approach relative to most fixed income mutual funds and ETFs in Canada that do not hold bonds to maturity. Instead, these "traditional" funds are constantly changing the underlying holdings in the portfolio with no intended end date.

Holding bonds to maturity provides investors greater clarity of cash flows and greater certainty of the maturity value relative to other fixed income fund options available today.

Diligent bond screening

At the time of inception, or when new subscriptions come into a GuardBonds™ fund, the portfolio management team will select high-quality investment grade corporate bonds that have maturities that correspond to the termination year of that fund.

Once the bonds are selected after a rigorous selection process, they are generally held to maturity[1]. Unitholders are expected to receive the coupon payments from the bonds as monthly income distributions, and have the potential to receive any capital appreciation from the bond when it matures, assuming it is purchased at a discount.

One of the simplest and most effective ways to reduce the risk of loss from owning a bond is to hold the bond to maturity. As long as the bond issuer does not default on their coupon payment obligations (a rare event in the Canadian market) the bond should mature at its par value, and typical fluctuations in price decrease as the bond approaches maturity.

Mutual funds and ETFs have been a popular way for Canadian investors to get their bond exposure.

The GuardBonds™ lineup

The GuardBonds™ suite offers investors a number of fund choices, each with a pre-defined maturity date that corresponds to a specific calendar year, allowing investors to capitalize on today's bond yields. In addition to the GuardBonds™ funds with defined maturity dates, there is also a GuardBonds™ fund that provides you with a ready-made "ladder" of underlying funds holding bonds with maturities ranging from 1 to 3 years.

[1] This does not account for the impact of subscriptions and redemptions in a GuardBonds™ fund throughout its term and any associated purchase/sale of underlying bonds at the then prevailing price (gain/loss).

The GuardBonds™ lineup		Ticker/ fund code	Management fee
GuardBonds™ 2026 Investment Grade Bond Fund	ETF series	GBFC	0.20%
	Series F	GCG6105	0.20%
	Series A	GCG5105	0.70%
GuardBonds™ 2027 Investment Grade Bond Fund	ETF series	GBFD	0.20%
	Series F	GCG6106	0.20%
	Series A	GCG5106	0.70%
GuardBonds™ 2028 Investment Grade Bond Fund	ETF series	GBFE	0.20%
	Series F	GCG6108	0.20%
	Series A	GCG5108	0.70%
GuardBonds™ 2029 Investment Grade Bond Fund	ETF series	GBFF	0.20%
	Series F	GCG6109	0.20%
	Series A	GCG5109	0.70%
GuardBonds™ 1-3 Year Laddered Investment Grade Bond Fund	ETF series	GBLF	0.20%
	Series F	GCG6107	0.20%
	Series A	GCG5107	0.70%

Value proposition

Matures like a bond

GuardBonds™ offer solutions that mature in a given year, just like a bond, to help you better align your investments with your savings and cash-on-hand needs.

A defined maturity date helps alleviate short-term volatility concerns, as the high probability of the portfolio's short-term investment grade bonds maturing at par means investors are less likely to experience capital losses[2].

Actively managed and convenient

Overseen by Guardian Capital LP's experienced Fixed Income team, seeking to maximize total return potential and mitigate risk by being selective rather than tracking an index and seeking to maintain an average credit rating of A[3]. Bonds are sourced, traded, diversified and optimized by experienced professionals. The 1-3 year laddered solution offers ready-made and periodically rebalanced laddered positioning[4].

Tax efficient and highly liquid

Each GuardBonds™ fund prioritizes holding bonds trading at a discount with the intention of holding them until maturity[1]. When a discount bond matures at par value, the price appreciation is treated as a capital gain. The underlying bond holdings are highly liquid and the funds themselves offer daily and intra-day liquidity, unlike Guaranteed Investment Certificates (GICs).

[2] Assumes that investors hold their investment in a GuardBonds™ fund until its maturity date. The value of a GuardBonds™ fund will fluctuate from day to day, and may be impacted by subscriptions and redemptions, and an investor will be subject to market risks if they sell their units prior to that GuardBonds™ fund's maturity date.
[3] In order to do so the GuardBonds™' Manager will only select bond issues with a minimum rating of BBB at the time of purchase.
[4] The portfolio holdings will be rebalanced from time to time. The frequency of the rebalancing may change from time to time without notice.

Use our ladder: GuardBonds™ 1-3 Year Laddered Investment Grade Bond Fund

We offer a GuardBonds™ fund that provides you with a ready-made "ladder" of underlying funds holding bonds with maturities ranging from 1 to 3 years.

- Spread your investment across multiple defined maturity investment grade bond funds with staggered maturities
- As portions of the laddered GuardBonds™ portfolio mature at regular intervals, the proceeds are reinvested in another fund further up the ladder

Key benefits of our ladder:

More liquid than a GIC ladder[5]

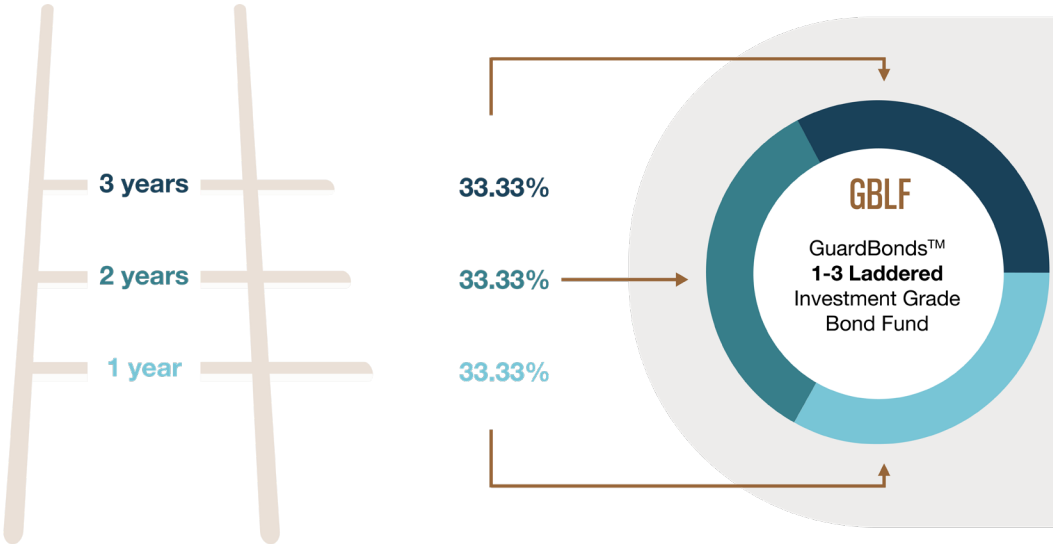
Potentially more tax efficient than a GIC ladder[6]

More convenient than trading individual bonds or GICs due to active management and annual reinvestment

[5] 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.
[6] 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.

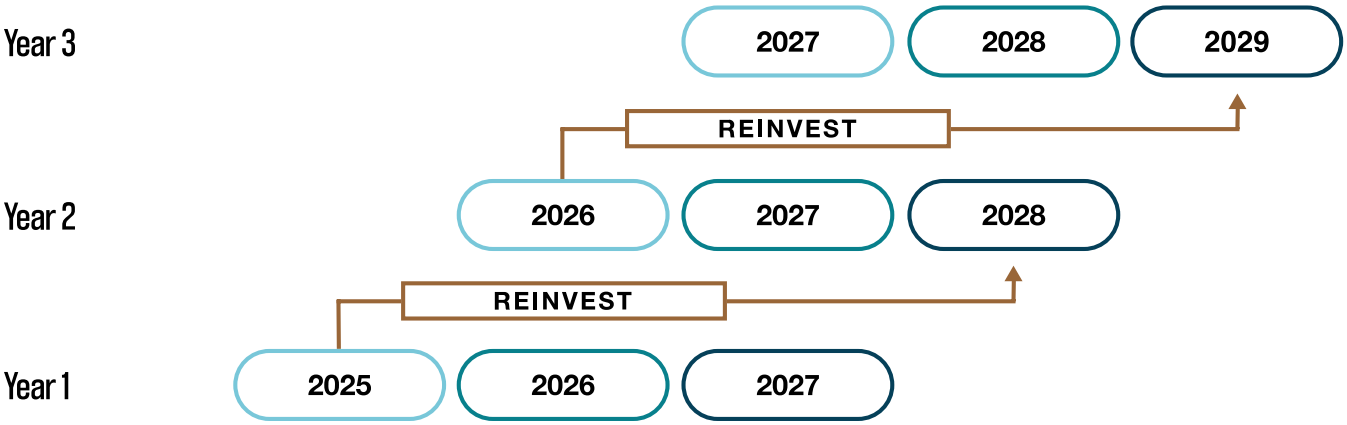
GuardBonds™ | À-la-carte & ready-made laddering

Calendar-year **GuardBonds™** funds maturing in:



Example for illustrative purposes only.

Here's what it looks like:



Example for illustrative purposes only.

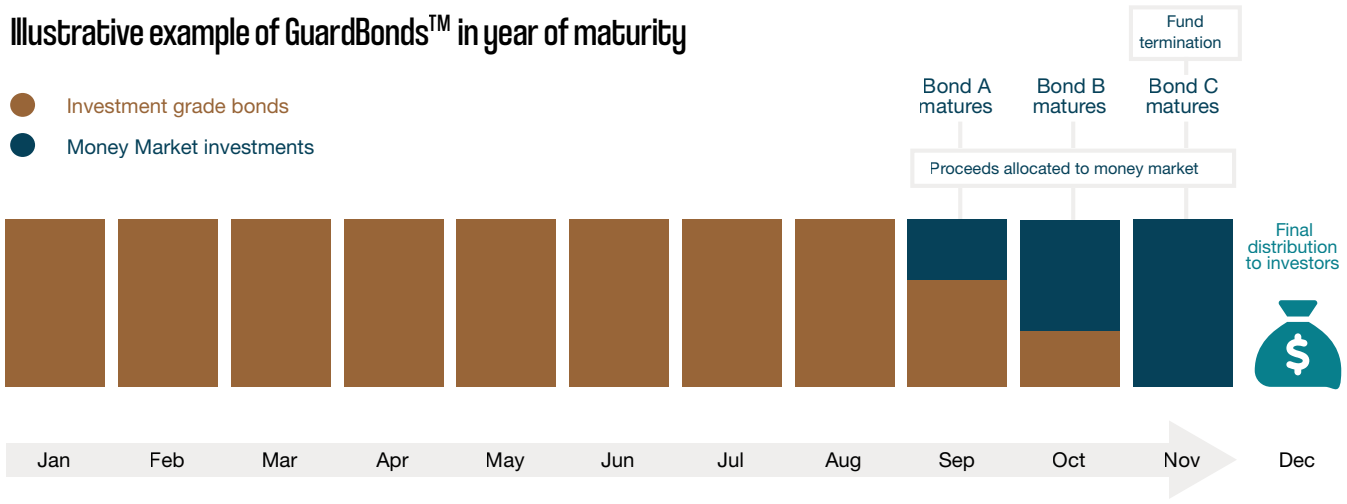
What happens at maturity?

1 Underlying bonds mature in the later part of the year

2 Cash from matured bond holdings are reinvested into money market securities

3 On fund's termination date the cash proceeds are paid to the investors

Illustrative example of GuardBonds™ in year of maturity



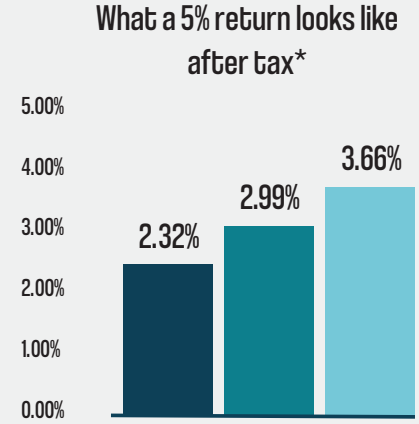
Example for illustrative purposes only. During the maturity period for the bonds in the portfolio, the GuardBonds™ fund's portfolio will transition to cash and cash equivalents, including investments, directly or through money market funds, in Government of Canada treasury bills. It is expected that the portfolio of the GuardBonds™ fund will consist primarily, if not completely, of cash and cash equivalents at the GuardBonds™ fund's Termination Date. On November 30, the GuardBonds™ fund will fully liquidate its money market holdings and the cash proceeds will be paid out to investors during the first week of December.

GuardBonds™ aim for tax efficiency

Each GuardBonds™ fund prioritizes owning discount bonds and strives to generate a higher proportion of capital gains relative to interest income aiming to maximize tax efficiency.

Capital gains are taxed more favourably than interest income

- **100% Interest income**
- **50% Interest income + 50% capital gains**
- **100% Capital gains**



*** Hypothetical example for illustrative purposes only.** This is a generic illustration and is not representative of an investor's actual experience. The example outcome shown above is dependent on the ratio of income vs. capital gains generally. The proportion of discount bonds held by a GuardBonds™ fund cannot be predicted and is expected to fluctuate over time, depending on prevailing market conditions as well as the subscriptions and redemptions in the GuardBonds™ funds. Tax rates applied are based on an Ontario resident in the highest tax bracket (53.53% on interest income and 26.76% net on capital gains). This is not the after-tax return experience of any specific unitholder. It is only intended to give investors a general idea of the potential after-tax outcomes.

How do GuardBonds™ compare?

	GuardBonds™	Individual Bonds	Guaranteed Investment Certificates (GICs)	Bond funds/ ETFs
Diversified holdings	✓			✓
Monthly distributions	✓			✓
Actively managed	✓			Not always
Potential tax-efficiency[1*]	✓	Not always		Not always
Defined maturity	✓	✓	✓	Not always

Example for illustrative purposes only.

Consider investing in GuardBonds™ if:

- You are looking for more clarity on the level of income you can generate, and less uncertainty from volatility in the Canadian bond markets
- You are looking to match up income needs with a specific liability or time frame
- You are looking for an alternative to traditional GICs with no minimum investments or holding periods
- You are looking to smooth out your interest rate risk by building a bond ladder

The Investment Managers

Guardian Capital LP | Fixed Income

- Guardian Capital LP's Fixed Income team is comprised of 9 investment professionals with over 25 years of average industry experience
- Team manages $19.0 billion in Fixed Income assets across multiple geographies and sub-asset classes
- Driven by a systematic process, the team's investment philosophy is rooted in fundamentally orientated research, paired with quantitative analysis, and focuses on constructing optimal portfolio solutions

Aubrey Basdeo, MBA
Head of Fixed Income

Domenic Gallelli, CFA
Portfolio Manager

Derrick Knie, CFA, M.Fin
Portfolio Manager

A better way to buy bonds

Speak with your Financial Advisor to find out more or visit our website for additional information on the new GuardBonds™

guardbonds.com

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