

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

GUARDIAN CANADIAN SHORT-TERM INVESTMENT FUND

DECEMBER 31, 2022

This annual management report of fund performance contains financial highlights, but does not contain either the annual financial report or annual financial statements of the investment fund. You can obtain a copy of the annual financial report or annual financial statements at your request, and at no cost, by calling 1-866-383-6546, by writing to us at Guardian Capital LP, Commerce Court West, 199 Bay Street, Suite 2700, P.O. Box 201, Toronto, Ontario, M5L 1E8, or by visiting our website at www.guardiancapital.com/investmentsolutions or SEDAR at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



GUARDIAN CAPITAL

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The objective of Guardian Canadian Short-Term Investment Fund (the “Fund”) is the preservation of capital together with earning income through investment in high quality, short-term fixed-income securities. The manager uses fundamental analysis and other rational measures of value to identify securities issued or guaranteed primarily by governments, Canadian corporations and Canadian chartered banks. The Fund invests primarily in high quality issues that have been scrutinized for credit quality through an ongoing internal assessment across qualitative and quantitative factors. Spread analysis and duration-neutral strategies, such as barbell and bullet structures, are used for adding value through sector allocation and security selection.

Risk

The risks associated with investing in the Fund remain as discussed in the prospectus. The Fund may be suitable for investors with a low tolerance for risk, particularly those who seek capital preservation and secure income.

Results of Operations

(This commentary is based on the performance of Series I units of the Fund. Returns for other Series of units may vary, largely due to differences in fees and expenses. Please refer to the Past Performance section for specific Series level performance details.)

The Fund’s net asset value increased by 9% to \$198.6 million at December 31, 2022 from \$181.8 million at December 31, 2021. Of this change, an increase of \$3.3 million was provided by investment performance and an increase of \$13.5 million was attributable to net subscriptions.

Series I units of the Fund posted a return of 1.9% for the year. The Fund’s blended benchmark, 50% FTSE Canada 60 Day T-Bill Index and 50% FTSE Canada 30 Day T-Bill Index, returned 1.7% for the same period. The Fund’s return is after the deduction of fees and

expenses, where applicable for the Series, unlike the benchmark’s return.

Fixed income markets globally experienced one of the worst years, on a total return basis, in decades. The FTSE Canada Universe Bond Index (Index) ended the year down, while returning 0.10% in the fourth quarter. It has been the worst year on record since the inception of the Index, and this is the first time in its history that we have witnessed two consecutive years of negative returns. FTSE Canada Short-, Mid- and Long-term indices returned -4.04%, -10.29% and -21.76%, respectively. Provincial bonds (overall) returned -15.05% and Corporate bonds (overall) returned -9.87%.

The Bank of Canada (BoC) raised its key policy rate by 50 bps in its year-end meeting on December 8, 2022. With this seventh consecutive increase in the overnight rate this year, the BoC has raised its policy rate by a cumulative of 400 bps in 2022. The US Federal Reserve (Fed) policy-setting Federal Open Market Committee (FOMC), on December 14, 2022, raised its target range for the fed funds rate by 50 basis points to an upper bound of 4.50%, bringing the cumulative increase to 425 basis points for the year. During the past year, we have witnessed extensive curve flattening and inversion in some yield curve relationships, a measure of the relationship between short- and long-term interest rates on the back of central bank efforts to control rising inflation. To put the current inversion/flattening into perspective, the last time we saw these levels in 10-year vs. 2-year (-75 bps) bond yields was in the 1990s.

In Canada, the non-seasonally adjusted year-on-year Consumer Price Index (CPI) declined by 0.1% on a month-over-month basis in November. This is the lowest reading since May 2022. Coming into 2022, corporate bonds significantly outperformed government bonds, as spreads tightened to a multi-decade low since reaching the highs during COVID-19. The credit market, however, since the beginning of 2022, sold off massively, as risk-off sentiments (concerns around global growth slowdown) and geopolitical tensions all weighed on the asset class.

The Canada Treasury Bill Curve, as measured by the spread between 3-month vs 1-year treasury yields,

flattened during the last year on the back of rate hikes by the Bank of Canada (BOC). The yield differential was at 60bps at the beginning of the year vs 35bps at the end of 2022.

Provincial Treasury Bills continue to positively contribute to performance due to positive yield carry. The Fund continued to concentrate holdings in the 3-month area of the Canadian Treasury bill curve and to hold positions in Alberta and Ontario treasury bills. The Fund is overweight Corporates vs. Federal and Provincial bonds, concentration in Financials. In addition to the overweight, the contribution to duration of corporates is greater relative to the relevant market benchmark indices.

The Manager integrates ESG considerations into its investment analysis and stewardship activities with the objective of enhancing long-term investment performance. Active engagement and proxy voting are a core part of the Manager's stewardship approach, and the Fund's investment team participates in these activities in a manner suitable to the asset class and Fund. Our investment teams focus on ESG and other issues which they believe could be financially material and/or impact the long-term sustainability of the company. The consideration of ESG issues is one of a number of elements in the portfolio construction process and, may or may not have a material influence on portfolio composition at any given time. For more information, the Manager posts its annual proxy voting activities and an annual Responsible Investing report on its website:

<https://www.guardiancapital.com/investmentsolutions/>

Recent Developments

With global monetary policy tightening throughout the last calendar year, the material adjustment to higher yields, wider credit spreads, and extremes in many yield curve relationships provide relative value opportunities.

Central banks across the globe, particularly in North America, have been aggressive with their interest rate policies, driving interest rates higher. This has resulted in yield curve inversions in shorter tenors not seen in decades. The Manager expects central banks to pause in the not-too-distant future as they near the end of their

current tightening cycle. One of the key drivers for the aggressive hiking is the exceptionally strong inflation data. However, inflation and inflation expectations, have turned in the past few months, and are now either steady or increasing at a slower pace, i.e. while inflation is still positive; it is rising to a lesser extent. Despite slowing inflation, employment metrics in Canada and the US are still strong, and wage gains represent a wildcard to price stability in the near future. Under a scenario where North American central banks decide to halt their key policy rates at their current levels, the degree of quantitative tightening, both by the Fed and the BoC, represents another layer of risk to concerns regarding growth slowdown. Given the delayed impact of monetary policy adjustments, we believe it prudent for North American central banks to allow time to assess the impacts of recent rate increases on economies.

During the past year, Canadian spreads widened, compared to multi-year tight levels seen post-COVID-19, driven by tightening financial conditions, all the way through the end of 2022. Shorter-term Canadian financial sector spreads have widened the most in Canadian investment grade. Relative to global credit spreads and relative to other Canadian credit sectors, Canadian financial spreads are cheap. The Manager expects financial issues to outperform going forward. While the outlook for investment grade credit spreads can remain volatile in the near future, the Fund is compensated to hold and add to its corporate position at these wide yield spreads. The Manager believes corporate sector exposure represents an excellent opportunity for relative capital gains in the near future.

Related Party Transactions

Guardian Capital LP, the Manager of the Fund, is considered to be a "related party" of the Fund. The Manager is responsible for the day-to-day operations of the Fund and also acts as the portfolio manager, managing the investment portfolio of the Fund. These services are in the normal course of operations and the Fund pays a management fee to the Manager for these services, as detailed in the Management Fees section below. The Manager also receives an Administration Fee from the Fund, amounting to 0.02% of the average daily net asset value of the Fund, in return for the

payment by the Manager of all the variable operating expenses of the Fund. The Independent Review Committee ("IRC") has approved the Manager's Policy for this item, and the Manager relies on this approval as a standing instruction from the IRC. The Manager received the Administration Fee and paid Fund expenses in accordance with this Policy during the period. The Manager is a wholly-owned subsidiary of Guardian Capital Group Limited, a publicly traded firm listed on the Toronto Stock Exchange.

Management Fees

No management fees are payable or collected for Series I units of the Fund. Series W units are subject to a management fee which is based on a percentage of the average Series NAV during each month, calculated and accrued daily, and payable monthly. The Series W management fee is 0.50% per annum. The table below provides a breakdown of services received in consideration of the management fees, as a percentage of the management fees, for the year.

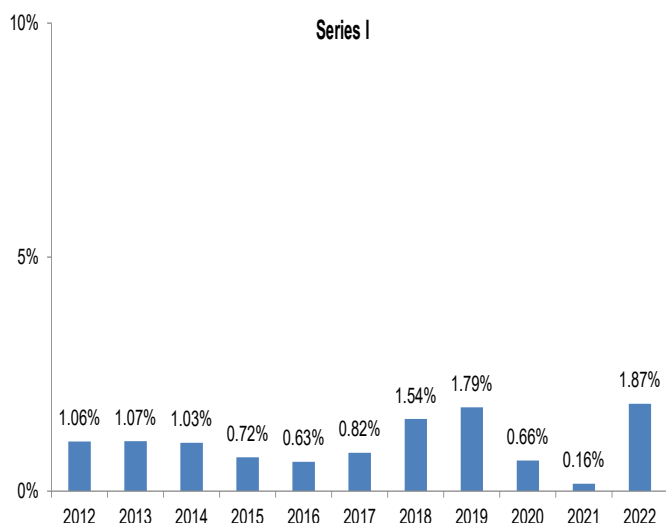
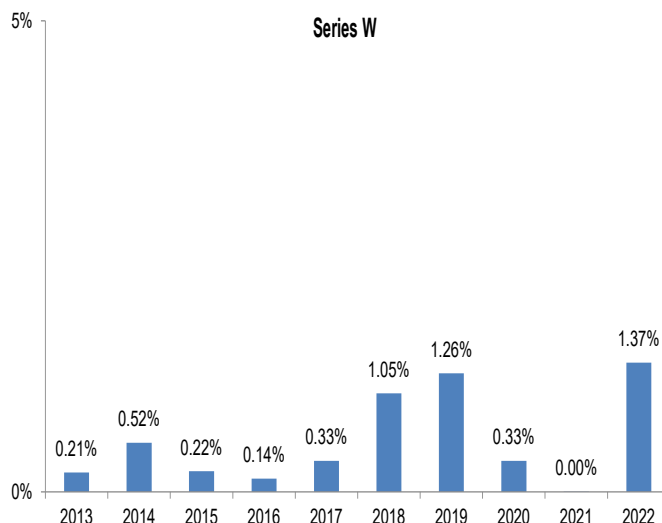
	Series I	Series W
Investment management and other general administration	n/a	70.0%
Trailer Commission	n/a	30.0%

Past Performance

The performance information shown below assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund. This performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. Past performance of the Fund does not necessarily indicate how the Fund will perform in the future.

Year-by-Year Returns

The bar charts show the Fund's performance for the period from January 1, 2022 to December 31, 2022, and annual performance for each of the prior years shown, and illustrates how the Fund's performance has changed from year to year. The chart shows in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the last day of that financial year.



FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the periods indicated. The information is derived from the Fund's audited annual financial statements.

The Fund's Net Assets per Unit (Series I)

	12 months ended Dec. 31, 2022	12 months ended Dec. 31, 2021	12 months ended Dec. 31, 2020	12 months ended Dec. 31, 2019	12 months ended Dec. 31, 2018
Net Assets per unit, Beginning of Period ^[1]	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
Increase (decrease) from operations per unit: ^[1]					
Total revenue	0.18	0.02	0.07	0.18	0.15
Total expenses	-	(0.00)	(0.00)	(0.00)	(0.00)
Realized gains (losses)	-	-	-	-	-
Unrealized gains (losses)	-	-	-	-	-
Total increase (decrease) from operations per unit	0.18	0.02	0.07	0.18	0.15
Distributions per unit from: ^{[1][2]}					
Income (excluding dividends)	(0.18)	(0.02)	(0.07)	(0.18)	(0.15)
Canadian dividends	-	-	-	-	-
Capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total Distributions per unit	(0.18)	(0.02)	(0.07)	(0.18)	(0.15)
Net Assets per unit, End of Period ^[1]	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00

^[1] Net assets per unit and distributions per unit are based on the actual number of units outstanding at the relevant time. The increase (decrease) from operations per unit is based on the weighted average number of units outstanding over the financial period.

^[2] Substantially all distributions were reinvested in additional units of the Fund.

Ratios and Supplemental Data (Series I)

	12 months ended Dec. 31, 2022	12 months ended Dec. 31, 2021	12 months ended Dec. 31, 2020	12 months ended Dec. 31, 2019	12 months ended Dec. 31, 2018
Total net asset value (000's) ^[1]	\$198,167	\$181,306	\$225,388	\$215,800	\$205,970
Number of units outstanding ^[1]	19,816,735	18,130,564	22,538,808	21,580,034	20,596,984
Management expense ratio ^[2]	0.02%	0.03%	0.02%	0.03%	0.02%
Management expense ratio before waivers and absorptions	0.02%	0.03%	0.02%	0.03%	0.02%
Trading expense ratio ^[3]	0.00%	0.00%	0.00%	0.00%	0.00%
Net asset value per unit ^[1]	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00

^[1] This information is provided as at the end of each period indicated.

^[2] The management expense ratio is based on total expenses (excluding commissions, other portfolio transaction costs and withholding taxes) of the Fund and its proportionate share of the total expenses of the Underlying Funds, where applicable, for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

^[3] The trading expense ratio represents total commissions and other portfolio transaction costs of the Fund and its proportionate share of the Underlying Funds' portfolio transaction costs, where applicable, expressed as an annualized percentage of daily average net asset value for the period.

^[4] The Fund's portfolio turnover rate indicates how actively its portfolio advisor trades portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in the portfolio once in the course of a year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the periods indicated. The information is derived from the Fund's audited annual financial statements.

The Fund's Net Assets per Unit (Series W)

	12 months ended Dec. 31, 2022	12 months ended Dec. 31, 2021	12 months ended Dec. 31, 2020	12 months ended Dec. 31, 2019	12 months ended Dec. 31, 2018
Net Assets per unit, Beginning of Period ^[1]	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
Increase (decrease) from operations per unit: ^[1]					
Total revenue	0.19	0.02	0.04	0.19	0.17
Total expenses	(0.05)	(0.02)	(0.03)	(0.06)	(0.05)
Realized gains (losses)	-	-	-	-	-
Unrealized gains (losses)	-	-	-	-	-
Total increase (decrease) from operations per unit	0.14	0.00	0.01	0.13	0.12
Distributions per unit from: ^{[1][2]}					
Income (excluding dividends)	(0.14)	-	(0.01)	(0.13)	(0.12)
Canadian dividends	-	-	-	-	-
Capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total Distributions per unit	(0.14)	0.00	(0.01)	(0.13)	(0.12)
Net Assets per unit, End of Period ^[1]	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00

^[1] Net assets per unit and distributions per unit are based on the actual number of units outstanding at the relevant time. The increase (decrease) from operations per unit is based on the weighted average number of units outstanding over the financial period.

^[2] Substantially all distributions were reinvested in additional units of the Fund.

Ratios and Supplemental Data (Series W)

	12 months ended Dec. 31, 2022	12 months ended Dec. 31, 2021	12 months ended Dec. 31, 2020	12 months ended Dec. 31, 2019	12 months ended Dec. 31, 2018
Total net asset value (000's) ^[1]	\$441	\$447	\$466	\$6	\$186
Number of units outstanding ^[1]	44,134	44,699	46,592	617	18,563
Management expense ratio ^[2]	0.52%	0.18%	0.27%	0.55%	0.55%
Management expense ratio before waivers and absorptions	0.56%	0.56%	0.59%	0.55%	0.55%
Trading expense ratio ^[3]	0.00%	0.00%	0.00%	0.00%	0.00%
Net asset value per unit ^[1]	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00

^[1] This information is provided as at the end of each period indicated.

^[2] The management expense ratio is based on total expenses (excluding commissions, other portfolio transaction costs and withholding taxes) of the Fund and its proportionate share of the total expenses of the Underlying Funds, where applicable, for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The Manager absorbed some of the Fund's expenses, if it had not done so the MER would have been higher.

^[3] The trading expense ratio represents total commissions and other portfolio transaction costs of the Fund and its proportionate share of the Underlying Funds' portfolio transaction costs, where applicable, expressed as an annualized percentage of daily average net asset value for the period.

^[4] The Fund's portfolio turnover rate indicates how actively its portfolio advisor trades portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in the portfolio once in the course of a year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

SUMMARY OF INVESTMENT PORTFOLIO

As at December 31, 2022

Portfolio Allocation	% of Net Asset Value	Top 25 Holdings	% of Net Asset Value
Canadian Short-Term Securities	98.0%	Province of Ontario	13.3%
- Bankers' Acceptances	44.0%	Government of Canada	11.8%
- Treasury Bills	54.0%	Province of Alberta	11.4%
Other Assets (Liabilities)	2.0%	Province of Manitoba	11.2%
		Royal Bank of Canada	7.5%
		National Bank of Canada	7.4%
		The Toronto-Dominion Bank	7.4%
		The Bank of Nova Scotia	7.3%
		Bank of Montreal	7.3%
		Canadian Imperial Bank of Commerce	7.1%
		Province of Quebec	6.3%
		Top 25 Holdings as a percentage of net asset value	98.0%
		Total Net Asset Value	\$198,608,696

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund. A quarterly update is available. If the Fund has invested in other investment funds, the prospectus and other information about the underlying investment funds are available on the internet via www.sedar.com.



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