



Interim Management Report of Fund Performance

June 30, 2019

Beutel Goodman Total World Equity Fund

Beutel Goodman Total World Equity Fund

This Interim Management Report of fund performance contains financial highlights but does not contain the complete annual or interim financial statements of the investment fund. You can get a copy of the annual or interim financial statements at your request at no cost (contact details on this page) or by visiting our website at www.beutelgoodman.com or SEDAR at www.sedar.com.

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

Certain portions of this report, including, but not limited to, "Results of Operations" and "Recent Developments", may contain forward-looking statements about the Fund, including its strategy, risks, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates" and other similar forward-looking expressions. In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund action, is also a forward-looking statement. Forward-looking statements are based on current expectations and forecasts about future events and are inherently subject to, among other things, risks, uncertainties and assumptions which could cause actual events, results, performance or prospects to be incorrect or to differ materially from those expressed in, or implied by, these forward-looking statements.

These risks, uncertainties and assumptions include, but are not limited to, general economic, political and market factors, domestic and international, interest and foreign exchange rates, equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events. This list of important factors is not exhaustive. Please consider these and other factors carefully before making any investment decisions and avoid placing undue reliance on forward-looking statements. The Fund has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, prior to the release of the next Management Report of Fund Performance.

Beutel Goodman Managed Funds

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Beutel Goodman Total World Equity Fund

Management Discussion of Fund Performance

Investment Objectives and Strategies

The Fund seeks long-term capital appreciation primarily through investments in common shares and other equity securities of issuers in Canada and abroad.

The Fund seeks to make investments in issuers that are undervalued in relation to the business value of the issuer. If financial results fall short of expectations, the intrinsic value of the underlying assets of the issuer should provide downside protection.

A significant portion of the Fund's assets will be invested in common shares or other equity securities of Canadian issuers. However, the proportion of the Fund's assets invested in Canadian issuers compared to non-Canadian issuers will vary based on the adviser's outlook for the capital markets. Currently, the Fund does not expect to invest more than 49% of its assets in securities of non-Canadian issuers.

Risk

There were no significant changes to the investment objectives or strategies that affected the Fund's overall level of risk during the period. The risks of investing in this Fund and the suitability of the Fund for investors remain as discussed in the Prospectus.

There were no changes to the Fund's risk rating during the reporting period.

Results of Operations

World equity markets rebounded in the January 1 to June 30, 2019 period, although it wasn't a smooth ride higher. After a sharp correction late last year, U.S. markets rose in the period to deliver one of the best months in 30 years in January, with momentum continuing through April amid rising oil prices, signs the U.S. economy and job market continue to expand solidly, and a perceived dovish U-turn in monetary policy by the U.S. Federal Reserve (the Fed). However, the mood turned somewhat risk-off in May, amid some weakness in economic data and growing concern that a quick resolution to the U.S.-China trade war was unlikely, before rebounding in June as the prospect of rate cuts buoyed sentiment. As a result, the S&P 500 Index (C\$) rose 13.4% in the period, and as July began, the U.S. economic recovery from the Great Financial Crisis, at 121 months, officially became the longest economic expansion on record. In Canada, equities had an even stronger run in the period, with the S&P/TSX Composite Index posting a return of 16.2%, while international equity markets, as represented by the MSCI EAFE Index (C\$), were up 9.1%.

Against this backdrop, Beutel Goodman Total World Equity Fund underperformed its benchmark. In the Canadian component of the portfolio, relative underperformance was attributable in large part to stock selection in the Industrials, Consumer Staples, Communication Services and Consumer Discretionary sectors. This was offset slightly by the contribution of a relative underweight position in Materials, which underperformed the broad benchmark in the period. The U.S. and international equity components underperformed the benchmark due primarily to stock selection in Energy, Communication Services, Industrials and Consumer Discretionary. Contributors included stock selection in Health Care, a combination of stock selection and a relative overweight in Financials, and a zero weighting in Utilities.

At the individual security level, Toronto-Dominion Bank, Royal Bank of Canada, Brookfield Asset Management Inc. and Compagnie Générale des Établissements Michelin SCA were notable contributors on an absolute-return basis. Bank share prices rose as market concerns about housing exposure propagated by U.S. short-sellers receded from the headlines, while Brookfield benefitted from the declining interest rate backdrop. The company continues to deploy capital effectively, as evidenced by the Oaktree Capital acquisition. Oaktree Capital is a credit management firm with an excellent reputation and strong investment track record. Michelin provided a positive trading update in the period that highlighted an increase in sales in a difficult market, with a strong contribution coming from newly acquired businesses. While debt following the acquisitions is slightly elevated relative to its historical levels, we believe Michelin is purchasing solid businesses at reasonable multiples and further enhancing already-stable free cash flow through diversification.

Detractors included SNC-Lavalin Group Inc., Vodafone Group plc and Halliburton Company. SNC's stock price declined notably, although it was a relatively small weight in the portfolio. Our initial investment thesis was based on two key components: 1) valuable concession assets, which provide the business model and investors with downside protection or margin of safety, and 2) a profit recovery in its core Engineering and Construction business, which had been severely depressed. Our downside was based on the value of the infrastructure assets – mainly Highway 407 – and this had buttressed the stock price until the most recent operational difficulties. As a result of SNC's ongoing issues, we actively engaged with senior management and the Chair of the Board. We also held discussions with outside consultants who were well-versed with the engineering and legal aspects surrounding SNC-Lavalin to assist us in our analysis of the company. In these discussions, we communicated our concerns and suggestions that could result in more consistent levels of profitability and better free cash generation. We also withheld the proxy vote for 6 of 11 directors, sending a clear message. This was in contrast to ISS's recommendation to vote for the entire slate of SNC-Lavalin's directors, and Beutel Goodman was one of the only institutional investors to do so. While it is disappointing when a business does not live up to our expectations, we closely monitored SNC, voiced our concerns with company management, and voted against status quo. Until recently, the stock had not breached our downside target. When it did, it triggered a full review, which resulted in the position being fully sold. Vodafone declined after a weak fiscal third quarter, guidance for lower 2019 earnings, and the Board's decision to cut the dividend by 40% to help hit the lower end of their targeted leverage range in three years. Halliburton's revenues continued to be weighed down by weakness in spending in the U.S. shale industry. However, with a growing international market and improvement in the U.S. market, we continue to believe the company has great upside.

During the period, we initiated new positions in Amdocs Ltd., Gardner Denver Holdings Inc., Amgen Inc. and Symantec Corp. We also added to existing positions in EssilorLuxottica SA, Software AG and Halliburton. We completed process-driven sales of Ingersoll-Rand plc and Carlsberg A/S in the period, as they reached our target prices, and exited American Express and GEA Group AG. Additional sources of funds came from trims made to the portfolio's positions in Akzo Nobel, BASF SE, KLA-Tencor Corp., Tokyo Electron, Michelin, Roche Holding AG, Smith & Nephew, Comcast Corp., Omnicom Group Inc. and Merck & Co.

Detailed performance is provided under the heading "Past Performance" in this report.

Beutel Goodman Total World Equity Fund

Recent Developments

The momentum market continues, driven much more by sentiment than any kind of fundamental metrics. Investors are also crowding into areas of the market viewed as “safe”; paying up for companies perceived as offering stable growth. However, we are starting to see signs that investors are looking for valuation ceilings. While a gap between growth and value persists, the margin is narrowing. Over a trailing five-year period, the Russell 1000 Value Index has underperformed the Russell 1000 Growth Index by 44%; however, over the past year, that gap has shrunk to 3.1%. As a result, we believe fundamentals may become much more important in the months ahead.

The number of new opportunities in the universe is not as large as what we experienced last year, but we believe the portfolio itself remains attractively positioned versus the intrinsic values of the holdings as well as the broad market. It is rare for both these measures to be so far out of line, and thus our conviction remains high.

We are cognizant of the increasing noise about economic weakness in U.S. and global markets, trade tensions and geopolitical uncertainty. However, we are ultimately bottom-up stock pickers and we will always remain focused on fundamentals. All of the holdings in the portfolio continue to generate free cash flow, have strong balance sheets and capital allocation policies that we feel strike the right balance between corporate needs and shareholder returns. We continue to focus on high-quality business models and company-specific catalysts that factor into attractive risk/reward profiles and, importantly, downside protection.

Related Party Transactions

Beutel, Goodman & Company Ltd. (“BG”) is the Manager, Trustee and Portfolio Advisor to this Fund. The Fund pays a management fee to BG as compensation for its services. The Fund pays a fixed administration fee to BG, which in turn pays certain operating expenses of the Fund. BG as trustee of the Fund earns a fee which is paid by the Manager from the fixed administration fee paid by the Fund.

The Fund did not rely on any recommendation or approval of its Independent Review Committee to proceed with any transaction involving related parties because it did not conduct any related party transactions, except for certain inter-fund trades and the management and administrative fees as described above, as approved by the Independent Review Committee by standing instructions, and subject to regulatory requirements.

Management Fees: As Manager, BG is paid a management fee from each class of the Fund based on the average daily net asset value of the particular class. The fee is payable monthly, in arrears, and is calculated at the annualized rate specified for each class of the Fund as set out in the table below. Management fees for Class I units are negotiated and paid directly by the investor, not by the Fund, and, therefore, are not listed.

	Maximum Annual Management Fee Rate %	As a Percentage of Management Fees	
		Dealer Compensation %	General Administration, Investment Advice and Profit %
Class B	1.85	55	45
Class D	1.25	17	83
Class F	0.90	0	100

Administration Fee: The Manager receives a fixed administration fee to pay certain operating expenses of the Fund. These expenses include audit and legal fees; custodian and transfer agent fees; costs attributable to the issue, redemption and change of units, including the cost of the security holder record-keeping system; expenses incurred in respect of preparing and distributing all regulatory reports; fund accounting and valuation costs; independent review committee fees and filing fees, including those incurred by us. The administration fee may vary by class of units and by Fund.

BG, as trustee of the Fund, earns a fee which is paid by the Manager from the administration fee paid by the Fund.

Beutel Goodman Total World Equity 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 6 month period ended June 30 of the current year and for the past 5 years ended December 31. The December 31 information is derived from the Fund's audited annual financial statements and is provided for each class of units.

Financial Highlights per unit

Class B Units

(for the period ended June 30, 2019 and years ended December 31)

\$	June 2019	2018	2017	2016	2015	2014
Net assets, beginning of period	11.92	13.42	12.64	11.47	12.42	12.28
Increase (decrease) from operations						
Total revenue	0.25	0.41	0.36	0.41	0.36	0.39
Total expenses	(0.16)	(0.32)	(0.32)	(0.29)	(0.30)	(0.30)
Realized gains (losses) for the period	0.04	0.49	0.64	0.26	0.72	0.88
Unrealized gains (losses) for the period	0.77	(1.56)	0.94	1.00	(0.84)	(0.04)
Total increase (decrease) from operations⁽¹⁾	0.90	(0.98)	1.62	1.38	(0.06)	0.93
Distributions to unitholders per unit:						
From net investment income (excluding dividends)	—	—	—	—	—	—
From dividends	—	0.07	0.11	—	0.06	0.10
From capital gains	—	0.49	0.68	0.26	0.76	0.81
From return of capital	—	—	—	—	—	—
Total period distributions⁽²⁾	—	0.56	0.79	0.26	0.82	0.91
Net assets, end of period⁽³⁾	12.76	11.92	13.42	12.64	11.47	12.42

Ratios and Supplemental Data

Class B Units

(for the period ended June 30, 2019 and years ended December 31)

	June 2019	2018	2017	2016	2015	2014
Total net asset value (\$) (000's)⁽⁴⁾	1,588	1,809	1,502	409	558	741
Number of outstanding units (000's)⁽⁴⁾	124	152	112	32	49	60
Management expense ratio⁽⁵⁾	2.19%	2.18%	2.10%	2.11%	2.09%	2.06%
Management expense ratio before waivers or absorptions⁽⁶⁾	N/A	N/A	N/A	N/A	N/A	N/A
Portfolio turnover rate⁽⁷⁾	11%	35%	38%	41%	72%	37%
Trading expense ratio (%)⁽⁸⁾	0.05%	0.08%	0.11%	0.10%	0.13%	0.08%
Net asset value per unit, end of period	12.76	11.92	13.42	12.64	11.47	12.42

Financial Highlights per unit

Class D Units

(for the period ended June 30, 2019 and years ended December 31)

\$	June 2019	2018	2017	2016	2015	2014
Net assets, beginning of period	14.09	15.86	14.80	13.52	14.70	14.51
Increase (decrease) from operations						
Total revenue	0.30	0.49	0.42	0.47	0.43	0.46
Total expenses	(0.14)	(0.28)	(0.27)	(0.26)	(0.25)	(0.26)
Realized gains (losses) for the period	0.05	0.60	0.91	0.38	0.81	1.04
Unrealized gains (losses) for the period	0.88	(1.87)	0.89	1.23	(1.03)	0.11
Total increase (decrease) from operations⁽¹⁾	1.09	(1.06)	1.95	1.82	(0.04)	1.35
Distributions to unitholders per unit:						
From net investment income (excluding dividends)	—	—	—	—	—	—
From dividends	—	0.17	0.08	0.19	0.21	0.18
From capital gains	—	0.58	0.80	0.31	0.90	0.96
From return of capital	—	—	—	—	—	—
Total period distributions⁽²⁾	—	0.75	0.88	0.50	1.11	1.14
Net assets, end of period⁽³⁾	15.14	14.09	15.86	14.80	13.52	14.70

Ratios and Supplemental Data

Class D Units

(for the period ended June 30, 2019 and years ended December 31)

	June 2019	2018	2017	2016	2015	2014
Total net asset value (\$) (000's)⁽⁴⁾	1,905	2,016	1,931	1,582	1,451	1,379
Number of outstanding units (000's)⁽⁴⁾	126	143	122	107	107	94
Management expense ratio⁽⁵⁾	1.49%	1.49%	1.49%	1.49%	1.50%	1.47%
Management expense ratio before waivers or absorptions⁽⁶⁾	N/A	N/A	N/A	N/A	N/A	N/A
Portfolio turnover rate⁽⁷⁾	11%	35%	38%	41%	72%	37%
Trading expense ratio (%)⁽⁸⁾	0.05%	0.08%	0.11%	0.10%	0.13%	0.08%
Net asset value per unit, end of period	15.14	14.09	15.86	14.80	13.52	14.70

Beutel Goodman Total World Equity 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 6 month period ended June 30 of the current year and for the past 5 years ended December 31. The December 31 information is derived from the Fund's audited annual financial statements and is provided for each class of units.

Financial Highlights per unit

Class F Units

(for the period ended June 30, 2019 and years ended December 31)

\$	June 2019	2018	2017	2016	2015	2014
Net assets, beginning of period	11.87	13.37	12.49	11.48	12.50	12.36
Increase (decrease) from operations						
Total revenue	0.25	0.41	0.35	0.37	0.37	0.39
Total expenses	(0.09)	(0.18)	(0.18)	(0.18)	(0.16)	(0.17)
Realized gains (losses) for the period	0.04	0.50	0.71	0.53	0.64	0.92
Unrealized gains (losses) for the period	0.78	(1.54)	0.90	1.22	(1.25)	(0.06)
Total increase (decrease) from operations⁽¹⁾	0.98	(0.81)	1.78	1.94	(0.40)	1.08
Distributions to unitholders per unit:						
From net investment income (excluding dividends)	—	—	—	—	—	—
From dividends	—	0.20	0.15	0.27	0.25	0.23
From capital gains	—	0.49	0.68	0.26	0.77	0.82
From return of capital	—	—	—	—	—	—
Total period distributions⁽²⁾	—	0.69	0.83	0.53	1.02	1.05
Net assets, end of period⁽³⁾	12.78	11.87	13.37	12.49	11.48	12.50

Ratios and Supplemental Data

Class F Units

(for the period ended June 30, 2019 and years ended December 31)

	June 2019	2018	2017	2016	2015	2014
Total net asset value (\$) (000's)⁽⁴⁾	1,839	2,146	1,810	1,057	252	126
Number of outstanding units (000's)⁽⁴⁾	144	181	135	85	22	10
Management expense ratio⁽⁵⁾	1.09%	1.08%	1.08%	1.12%	1.09%	1.08%
Management expense ratio before waivers or absorptions⁽⁶⁾	N/A	N/A	N/A	N/A	N/A	N/A
Portfolio turnover rate⁽⁷⁾	11%	35%	38%	41%	72%	37%
Trading expense ratio (%)⁽⁸⁾	0.05%	0.08%	0.11%	0.10%	0.13%	0.08%
Net asset value per unit, end of period	12.78	11.87	13.37	12.49	11.48	12.50

Financial Highlights per unit

Class I Units

(for the period ended June 30, 2019 and years ended December 31)

\$	June 2019	2018	2017	2016	2015	2014
Net assets, beginning of period	15.08	17.00	15.85	14.48	15.77	15.58
Increase (decrease) from operations						
Total revenue	0.32	0.51	0.45	0.51	0.47	0.45
Total expenses	(0.04)	(0.06)	(0.06)	(0.06)	(0.02)	(0.03)
Realized gains (losses) for the period	0.06	0.67	0.92	0.44	0.87	1.19
Unrealized gains (losses) for the period	0.89	(2.06)	0.93	1.24	(1.16)	(0.78)
Total increase (decrease) from operations⁽¹⁾	1.23	(0.94)	2.24	2.13	0.16	0.83
Distributions to unitholders per unit:						
From net investment income (excluding dividends)	—	—	—	—	—	—
From dividends	—	0.43	0.31	0.45	0.47	0.42
From capital gains	—	0.63	0.87	0.33	0.98	1.04
From return of capital	—	—	—	—	—	—
Total period distributions⁽²⁾	—	1.06	1.18	0.78	1.45	1.46
Net assets, end of period⁽³⁾	16.32	15.08	17.00	15.85	14.48	15.77

Ratios and Supplemental Data

Class I Units

(for the period ended June 30, 2019 and years ended December 31)

	June 2019	2018	2017	2016	2015	2014
Total net asset value (\$) (000's)⁽⁴⁾	350	310	320	192	159	156
Number of outstanding units (000's)⁽⁴⁾	21	21	19	12	11	10
Management expense ratio⁽⁵⁾	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%
Management expense ratio before waivers or absorptions⁽⁶⁾	N/A	N/A	N/A	N/A	N/A	N/A
Portfolio turnover rate⁽⁷⁾	11%	35%	38%	41%	72%	37%
Trading expense ratio (%)⁽⁸⁾	0.05%	0.08%	0.11%	0.10%	0.13%	0.08%
Net asset value per unit, end of period	16.32	15.08	17.00	15.85	14.48	15.77

Beutel Goodman Total World Equity Fund

- (1) Net asset value per unit and distributions to unitholders per unit are based on the actual number of units outstanding for the relevant class at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding for the relevant class over the fiscal period.
- (2) Distributions were paid in cash or automatically reinvested in additional units of the Fund.
- (3) This is not a reconciliation of the beginning and ending net assets per unit.
- (4) This information is provided as at period end of the period shown.
- (5) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.
- (6) The Manager may have waived or absorbed some of the fund expenses. If this had occurred, the management fee ratio before any such waiver or absorption is listed. The Manager may terminate the waiver or absorption at any time, at its discretion. It is not known when such waivers or absorptions will be terminated.
- (7) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the fiscal 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 higher turnover rate and the performance of a Fund. Portfolio turnover rate equals the lesser of the costs of purchases and proceeds of sales of portfolio securities for the year divided by the average value of the portfolio securities of the Fund calculated on a monthly basis, excluding short-term securities.
- (8) The trading expense ratio represents total commissions and other portfolio transaction costs disclosed in the Statements of Comprehensive Income expressed as an annualized percentage of daily average net asset value of the Fund during the period.

Past Performance

The performance returns below:

- are calculated as of **December 31** in each year and for the **first 6 months** of the current year;
- assume **all distributions** made by the Fund **are reinvested** to purchase additional units; and
- show the returns of the particular class of the Fund after any applicable management fees and operating expenses have been deducted, **but are not reduced by any redemption charges, optional charges or income taxes payable by you that would have reduced returns on performance.**

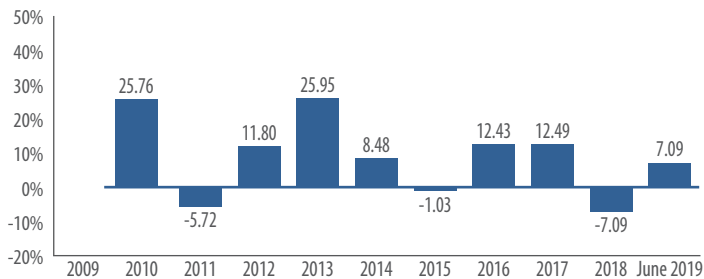
Please remember that the past performance of the Fund is not an accurate prediction of future returns.

Beutel Goodman Total World Equity Fund

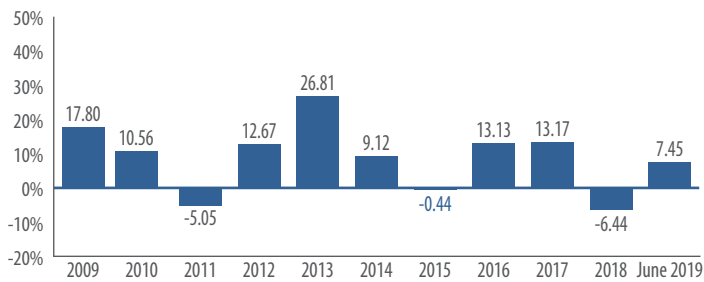
Year-by-Year Returns

The bar chart indicates the Fund's annual performance for each of the year's shown and for the current 6 month period, illustrating how the Fund's performance has changed from year to year. The bar chart shows in percentage terms how much an investment made on the first day of each financial year or period would have grown or decreased by the last day of each financial year or period.

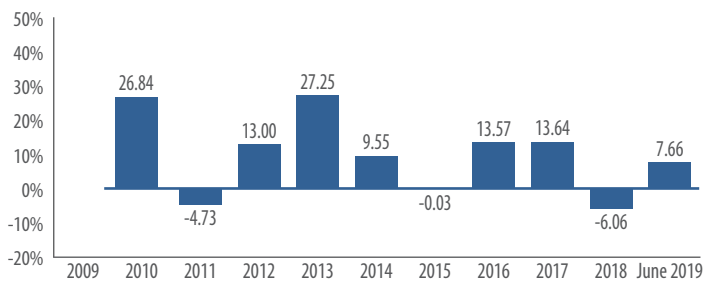
Class B



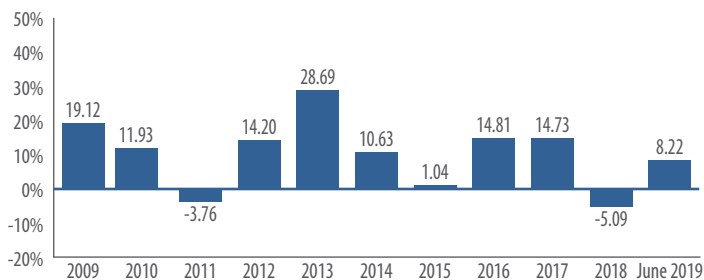
Class D



Class F



Class I



Beutel Goodman Total World Equity Fund

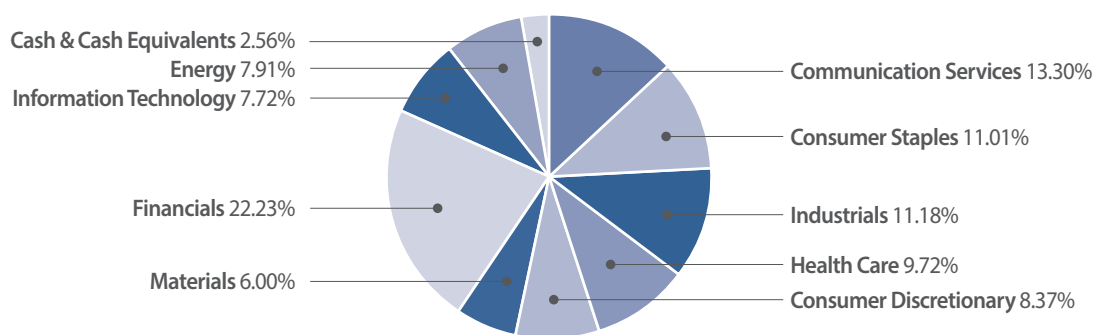
Summary of Investment Portfolio

The following information may change due to the ongoing portfolio transactions of the Fund. More current information regarding the holdings of the Fund may be obtained on our website at www.beutelgoodman.com.

Summary of Top 25 Holdings

Issuer Name	% of Net Assets	Issuer Name	% of Net Assets
1. Royal Bank of Canada	4.90	14. AmerisourceBergen Corp.	1.82
2. The Toronto-Dominion Bank	4.80	15. Halliburton Co.	1.79
3. Rogers Communications Inc., Class B	3.95	16. IMI PLC	1.78
4. Metro Inc., Class A	2.47	17. Smiths Group PLC	1.77
5. Nutrien Ltd.	2.37	18. Caltex Australia Ltd.	1.75
6. Bank of Nova Scotia	2.31	19. Roche Holding AG	1.75
7. Canadian Natural Resources Ltd.	2.26	20. Smith & Nephew PLC	1.72
8. Magna International Inc.	2.20	21. Merck KGaA	1.71
9. Sun Life Financial Inc.	2.04	22. Bank of Montreal	1.69
10. Amdocs Ltd.	1.94	23. Parker Hannifin Corp.	1.68
11. Brookfield Asset Management Inc.	1.93	24. Vodafone Group PLC	1.65
12. Campbell Soup Co.	1.92	25. Harley-Davidson Inc.	1.65
13. Kellogg Co.	1.91		

Asset Mix





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