



Interim Management Report of Fund Performance

June 30, 2019

Beutel Goodman World Focus Equity Fund

Beutel Goodman World Focus 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.

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Beutel Goodman World Focus Equity Fund

Management Discussion of Fund Performance

Investment Objectives and Strategies

This Fund seeks long-term capital growth through investment in common stocks and other equity securities of global issuers.

The Fund invests in a limited number of mid-to-large capitalization stocks anywhere in the world, based primarily on the highest risk-adjusted return to the research target price. Each of the 20–35 holdings will be among the best businesses in their respective industries, and generators of sustainable shareholder value and free cash flow. Portfolio risk and return will be judged on an absolute basis. At all times the Fund will seek to be diversified and generally fully invested.

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

Global equity markets rebounded in the January 1 to June 30, 2019 period, with the MSCI World Net Total Return Index (CS) up 11.9%. However, it wasn't a smooth ride higher, as markets reacted both to pressure caused by global growth concerns and increased trade tensions, particularly in May, and to support from increasingly dovish central bank language suggesting lower interest rates. Sector performance was led by Information Technology, Consumer Discretionary and Materials. Health Care, Energy and Utilities lagged their peers, but were still in positive territory for the period.

While turning in positive performance in the period, Beutel Goodman World Focus Equity Fund underperformed its benchmark. Unlike the index, the Fund's return is net of fees and expenses paid by the Fund. Please refer to the "Annual Compound Returns" in the Past Performance section for the returns of all classes of the Fund. Relative underperformance was due in large part to stock selection in the Information Technology, Communication Services and Industrials sectors. This was offset somewhat by contributions from stock selection in Financials, Health Care and Materials, and zero weightings in Utilities and Real Estate, which both underperformed the broad index in the period.

At the individual security level, Carlsberg A/S, Compagnie Générale des Établissements Michelin SCA and Oracle Corporation were notable contributors on an absolute-return basis. Carlsberg strengthened in the period due in part to solid earnings results for 2018 and a 13% increase in the dividend. Despite the stock posting strong performance in the period, we believe it is still trading at attractive valuations. 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. Oracle rebounded off December lows due in part to a return of positive momentum for tech stocks and, in June, a strong first-quarter earnings report. The stock's strength in the period resulted in it reaching our target price, and we consequently completed a process-driven one-third sale and a full valuation review.

Vodafone Group plc, Kellogg Company and Software AG were among the detractors. 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. Kellogg's share price declined in the period due in part to lowered guidance and announcements of reorganization plans for its European and North American operations. However, the company continues to pay an attractive dividend while also repurchasing stock and we believe it will be rewarded for its efforts to reposition itself for sustainable growth. Software AG's share price lagged in the first half amid executive and board changes, and investor skepticism around the long-term strategic plan announced under the new CEO. However, despite weakness in the period, we believe the company offers a fully integrated platform, is vendor agnostic (versus SAP and Oracle) and most importantly, works well with custom and legacy systems – a high barrier to entry, in our view. We believe the stock remains attractively valued, and thus continue to hold it in the portfolio.

We initiated a new position in DBS Group Holdings Ltd. in the period, and added to existing positions in Amdocs Ltd., SMC Corp., BlackRock Inc., Tokyo Electron, Software AG, Konecranes Abp and Harley-Davidson Inc. We also completed process-driven one-third sales in Carlsberg A/S and Oracle Corp., as they reached our respective target prices, trimmed the portfolio's position in HeidelbergCement, and conducted a full sale of GEA Group AG.

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

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.

Beutel Goodman World Focus Equity Fund

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.

	As a Percentage of Management Fees		
	Maximum Annual Management Fee Rate %	Dealer Compensation %	General Administration, Investment Advice and Profit %
Class B	1.90	53	47
Class D	1.25	19	81
Class F	1.00	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 World Focus 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	12.72	14.53	13.78	13.05	12.73	13.56
Increase (decrease) from operations						
Total revenue	0.27	0.41	0.39	0.47	0.38	0.43
Total expenses	(0.19)	(0.39)	(0.41)	(0.35)	(0.44)	(0.45)
Realized gains (losses) for the period	0.02	0.65	1.76	0.55	1.32	1.59
Unrealized gains (losses) for the period	1.00	(1.81)	0.19	0.45	0.33	(0.80)
Total increase (decrease) from operations⁽¹⁾	1.10	(1.14)	1.93	1.12	1.59	0.77
Distributions to unitholders per unit:						
From net investment income (excluding dividends)	—	—	—	—	—	—
From dividends	—	—	0.02	0.08	0.11	0.22
From capital gains	—	0.59	1.42	0.31	1.34	1.56
From return of capital	—	—	—	—	—	—
Total period distributions⁽²⁾	—	0.59	1.44	0.39	1.45	1.78
Net assets, end of period⁽³⁾	13.80	12.72	14.53	13.78	13.05	12.73

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⁾	1,147	1,079	1,465	970	978	598
Number of outstanding units (000's)⁽⁴⁾	83	85	101	70	75	47
Management expense ratio⁽⁵⁾	2.25%	2.25%	2.25%	2.21%	2.23%	2.23%
Management expense ratio before waivers or absorptions⁽⁶⁾	N/A	N/A	N/A	N/A	N/A	N/A
Portfolio turnover rate⁽⁷⁾	5%	22%	49%	27%	39%	48%
Trading expense ratio (%)⁽⁸⁾	0.04%	0.06%	0.15%	0.10%	0.15%	0.15%
Net asset value per unit, end of period	13.80	12.72	14.53	13.78	13.05	12.73

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	4.92	5.61	5.32	5.05	4.93	5.20
Increase (decrease) from operations						
Total revenue	0.10	0.15	0.15	0.18	0.15	0.18
Total expenses	(0.04)	(0.09)	(0.10)	(0.06)	(0.09)	(0.09)
Realized gains (losses) for the period	—	0.26	0.70	0.24	0.52	0.58
Unrealized gains (losses) for the period	0.44	(0.73)	0.03	0.14	0.13	(0.30)
Total increase (decrease) from operations⁽¹⁾	0.50	(0.41)	0.78	0.50	0.71	0.37
Distributions to unitholders per unit:						
From net investment income (excluding dividends)	—	—	—	—	—	—
From dividends	—	0.04	0.05	0.09	0.08	0.10
From capital gains	—	0.23	0.55	0.12	0.52	0.60
From return of capital	—	—	—	—	—	—
Total period distributions⁽²⁾	—	0.27	0.60	0.21	0.60	0.70
Net assets, end of period⁽³⁾	5.35	4.92	5.61	5.32	5.05	4.93

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⁾	3,354	3,949	4,916	2,314	2,120	1,464
Number of outstanding units (000's)⁽⁴⁾	627	803	876	435	419	297
Management expense ratio⁽⁵⁾	1.51%	1.51%	1.51%	1.51%	1.49%	1.45%
Management expense ratio before waivers or absorptions⁽⁶⁾	N/A	N/A	N/A	N/A	N/A	N/A
Portfolio turnover rate⁽⁷⁾	5%	22%	49%	27%	39%	48%
Trading expense ratio (%)⁽⁸⁾	0.04%	0.06%	0.15%	0.10%	0.15%	0.15%
Net asset value per unit, end of period	5.35	4.92	5.61	5.32	5.05	4.93

Beutel Goodman World Focus 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	13.10	14.99	14.25	13.56	13.27	14.02
Increase (decrease) from operations						
Total revenue	0.28	0.41	0.40	0.47	0.42	0.49
Total expenses	(0.13)	(0.24)	(0.26)	(0.23)	(0.26)	(0.29)
Realized gains (losses) for the period	0.03	0.67	1.82	0.67	1.05	1.62
Unrealized gains (losses) for the period	0.95	(2.04)	(0.06)	0.56	0.97	(0.73)
Total increase (decrease) from operations⁽¹⁾	1.13	(1.20)	1.90	1.47	2.18	1.09
Distributions to unitholders per unit:						
From net investment income (excluding dividends)	—	—	—	—	—	—
From dividends	—	0.18	0.22	0.30	0.31	0.26
From capital gains	—	0.62	1.48	0.33	1.41	1.63
From return of capital	—	—	—	—	—	—
Total period distributions⁽²⁾	—	0.80	1.70	0.63	1.72	1.89
Net assets, end of period⁽³⁾	14.28	13.10	14.99	14.25	13.56	13.27

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⁾	3,510	2,920	2,532	428	259	38
Number of outstanding units (000's)⁽⁴⁾	246	223	169	30	19	3
Management expense ratio⁽⁵⁾	1.17%	1.18%	1.13%	1.16%	1.15%	1.17%
Management expense ratio before waivers or absorptions⁽⁶⁾	1.28%	1.29%	1.24%	N/A	N/A	N/A
Portfolio turnover rate⁽⁷⁾	5%	22%	49%	27%	39%	48%
Trading expense ratio (%)⁽⁸⁾	0.04%	0.06%	0.15%	0.10%	0.15%	0.15%
Net asset value per unit, end of period	14.28	13.10	14.99	14.25	13.56	13.27

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	5.23	5.99	5.67	5.39	5.24	5.54
Increase (decrease) from operations						
Total revenue	0.11	0.16	0.16	0.20	0.16	0.19
Total expenses	(0.02)	(0.03)	(0.04)	(0.03)	(0.03)	(0.04)
Realized gains (losses) for the period	0.01	0.28	0.75	0.25	0.59	0.65
Unrealized gains (losses) for the period	0.40	(0.79)	0.17	0.17	0.20	(0.27)
Total increase (decrease) from operations⁽¹⁾	0.50	(0.38)	1.04	0.59	0.92	0.53
Distributions to unitholders per unit:						
From net investment income (excluding dividends)	—	—	—	—	—	—
From dividends	—	0.13	0.13	0.16	0.14	0.16
From capital gains	—	0.25	0.60	0.13	0.56	0.65
From return of capital	—	—	—	—	—	—
Total period distributions⁽²⁾	—	0.38	0.73	0.29	0.70	0.81
Net assets, end of period⁽³⁾	5.73	5.23	5.99	5.67	5.39	5.24

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⁾	14,403	12,972	13,558	12,869	11,417	11,609
Number of outstanding units (000's)⁽⁴⁾	2,512	2,479	2,263	2,268	2,119	2,217
Management expense ratio⁽⁵⁾	0.11%	0.11%	0.11%	0.11%	0.10%	0.10%
Management expense ratio before waivers or absorptions⁽⁶⁾	N/A	N/A	N/A	N/A	N/A	N/A
Portfolio turnover rate⁽⁷⁾	5%	22%	49%	27%	39%	48%
Trading expense ratio (%)⁽⁸⁾	0.04%	0.06%	0.15%	0.10%	0.15%	0.15%
Net asset value per unit, end of period	5.73	5.23	5.99	5.67	5.39	5.24

Beutel Goodman World Focus 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.**

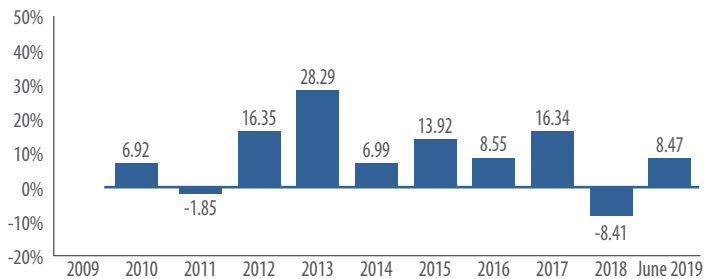
Please remember that the past performance of the Fund is not an accurate prediction of future returns.

Beutel Goodman World Focus Equity Fund

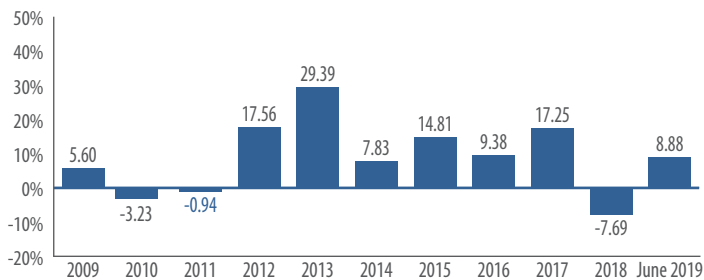
Year-by-Year Returns

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.

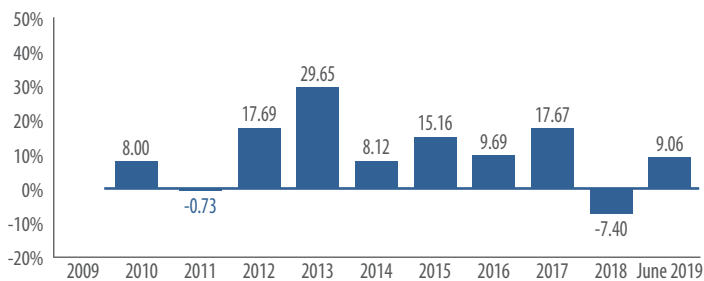
Class B



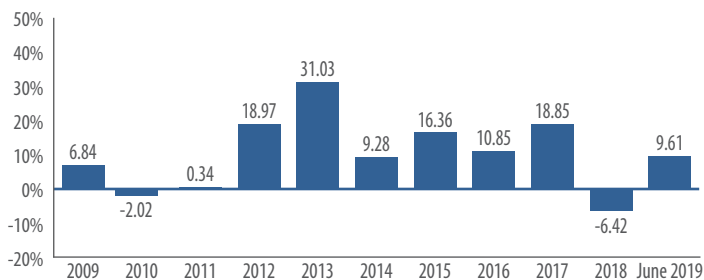
Class D



Class F



Class I



Beutel Goodman World Focus Equity Fund

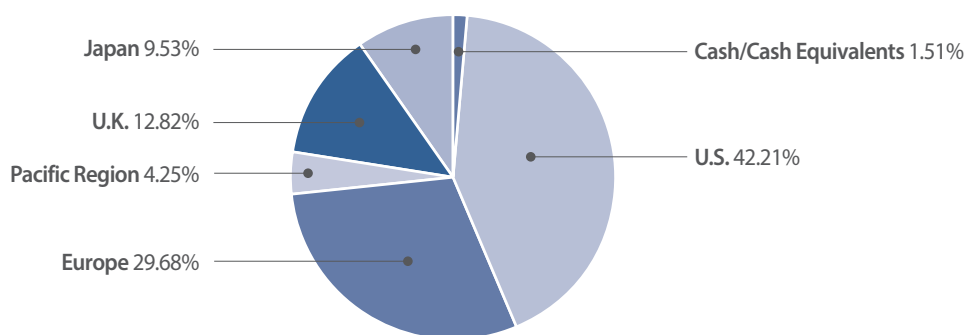
Summary of Investment Portfolio

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. Omnicom Group Inc.	4.90	14. Kimberly-Clark Corp.	3.21
2. Verizon Communications Inc.	4.90	15. Carlsberg A/S	3.12
3. Smith & Nephew PLC	4.56	16. Konecranes OYJ	3.11
4. Roche Holding AG	4.15	17. Harley-Davidson Inc.	3.09
5. Merck KGaA	3.99	18. SMC Corp.	3.04
6. Comcast Corp.	3.93	19. IMI PLC	2.93
7. Campbell Soup Co.	3.83	20. Tokyo Electron Ltd.	2.86
8. AmerisourceBergen Corp.	3.76	21. American Express Co.	2.84
9. Amdocs Ltd.	3.73	22. Software AG	2.77
10. Hakuholdo DY Holdings Inc.	3.64	23. Julius Baer Group Ltd.	2.59
11. Cie Générale des Établissements Michelin	3.51	24. BlackRock Inc.	2.52
12. Smiths Group PLC	3.45	25. Julius Baer Group Ltd.	2.49
13. Kellogg Co.	3.22		

Regional Mix





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