



Annual Management Report of Fund Performance

December 31, 2019

Beutel Goodman Balanced Fund

Beutel Goodman Balanced Fund

This Annual 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

20 Eglinton Avenue West,
Suite 2000, P.O. Box 2005
Toronto, Ontario M4R 1K8

Telephone: (416) 932-6403

Toll-free: 1-855-247-9954

Fax: (416) 485-8194

www.beutelgoodman.com

Beutel Goodman Balanced Fund

Management Discussion of Fund Performance

Investment Objectives and Strategies

This Fund invests in cash and cash equivalents, fixed-income securities and Canadian, U.S. and international equity securities.

The asset mix process is based upon the observation that over longer time periods equities have historically generated higher nominal and real rates of return than fixed income assets. Normally, the target asset mix will be 60% equity and 40% fixed income.

The Fund's advisor uses a value based approach to select equity investments which means the advisor looks for stocks that are undervalued in relation to the asset value or earnings power of the issuer. The Fund's fixed income portfolio is invested in a diversified group of Canadian government and Canadian corporate bonds.

Risk

There were no significant changes to the investment objectives or strategies that affected the Fund's overall level of risk during the year. 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

After a sharp correction late last year, global markets rebounded in the January 1 to December 31, 2019 period. Equities saw one of the best months in 30 years in January, and momentum continued through April amid rising oil prices, signs the U.S. economy and job market were continuing 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 by May, amid some weakness in economic data and growing concern that a quick resolution to the U.S.-China trade war was unlikely. By the third quarter, volatility had become a main theme. In addition to central bank easing, the laundry list of distractions included – but was not limited to – another escalation of trade tensions, growing fears of a hard Brexit, unrest in Hong Kong, concern about a potential recession in Europe, an attack on Saudi Arabian oil fields and a whistleblower complaint that sparked an impeachment inquiry in the U.S. However, by the fourth quarter, the U.S. and China had shaken hands on a Phase I trade deal, the Fed had cut rates a third time and Britons handed Boris Johnson a Conservative majority and a green light to get Brexit done, calming much of the uncertainty in equity markets. As a result, the S&P/TSX Composite Index rose 22.88%, the S&P 500 (C\$) Index was up 24.84%, the MSCI EAFE (C\$) Index advanced 15.85%, and the FTSE Canada Universe Bond Index returned 6.87%.

Against this backdrop, Beutel Goodman Balanced Fund slightly underperformed its benchmark. Unlike the benchmark, 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. The primary source of relative underperformance was stock selection in the Canadian equities sleeve. This was largely offset by allocation effects; namely relative underweight allocations to fixed income and cash, and an overweight allocation to U.S. equities. Stock selection in the international equities sleeve also contributed.

Within the Canadian equity component, the largest contributors on an absolute-return basis were Brookfield Asset Management and Royal Bank of Canada. Brookfield benefitted from positive earnings results as well as 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. Royal Bank rose along with the broader industry as market concerns about housing exposure propagated by U.S. short-sellers receded from the headlines. The largest detractors on an absolute-return basis were Cameco Corp. and SNC-Lavalin Group. Short-term price weakness in the uranium spot market as a result of uncertainty surrounding the Section 232 trade case in the U.S. resulted in negative sentiment in Cameco. However, we continue to see Cameco as undervalued and the uranium price as unsustainably low. SNC's stock price declined notably, and when the stock breached our downside target, we conducted a full review, which resulted in the position being fully sold (although it was a relatively small weight in the portfolio).

Within the U.S. component, notable contributors to performance on an absolute-return basis included KLA Corp. (formerly KLA-Tencor Corp.) and Ameriprise Financial, Inc. KLA saw a relatively steady rise in 2019, benefiting from a flattening of memory prices, which the market took to indicate an inflection point in the cycle. The company also benefitted from a surprise increase in management's forward guidance. Ameriprise strengthened in the reporting period amid positive earnings reports, aggressive stock buybacks, a broad rebound in asset manager share prices, and the announced sale of its non-core property & casualty insurance business, which we believe represents a step by the company to limit its exposure to capital-intensive business. Halliburton Company was the sole detractor from performance on an absolute-return basis, due to weakness in oil prices and spending in the U.S. shale industry, which weighed heavily on Halliburton's revenues. Despite what we believed was significant upside, the share price went through our downside target price and we exited the position, as we remained concerned that the end-market situation in North American land drilling remained under pressure.

Within the international component, Tokyo Electron and Carlsberg A/S were among the top contributors on an absolute-return basis. Despite an expected down cycle in the capital equipment market in the reporting period, Tokyo Electron continued to gain share in its core areas of focus while maintaining a leading position in the photoresist segment. The company is expanding margins, cash flows and ROEs; has returned significant cash to shareholders; and in October, revised its fiscal 2020 financial guidance upward. Carlsberg advanced in the reporting period on strong earnings and positive market sentiment. Detractors for the reporting period included Resona Holdings Inc., Henkel AG & Co KGaA and GEA Group AG. Resona's share price weakened considerably in the first half of the year on disappointing earnings results and continued its downward trend amid weakness in the international Financials sector – and banks specifically – due to unfavourable central bank policy trends. German chemical and consumer-goods company Henkel saw share price volatility in the year due to in part to some disappointing earnings, while GEA Group detracted early in the year and breached our downside target, leading to a review and ultimately a full sale of the stock. Despite the sale, we continue to monitor the business and progress of the new management team and ongoing restructuring efforts.

In the fixed income component, duration detracted from performance in the reporting period as the portfolio was generally short duration in a falling bond yield environment. Our overweight position in the mid part of the curve also detracted, as the yield curve flattened in the reporting period. Sector allocation was a contributor, as the portfolio was underweight federal bonds and overweight corporate bonds. Government security selection also added value, largely due to overweight positions in the provinces of Ontario and

Beutel Goodman Balanced Fund

Quebec. Corporate security selection, however, detracted as higher-quality credits underperformed higher-beta credits amid continued strength in credit market sentiment.

During the reporting period, the portfolio's asset mix was adjusted. While we maintain high conviction in equities due to the significant upside of our individual holdings and the strong downside protection the portfolios have provided over time, we felt it prudent to move to a slightly more balanced positioning. As such, we increased the portfolio's allocation to bonds and decreased allocation to equities. Within the equities sleeve, allocation to each of Canadian, U.S. and international equities was reduced by 50 to 100 basis points.

At the equity level, we initiated new positions in Gardner Denver Holdings Inc., Suncor Energy Inc. and Teck Resources Ltd, and added broadly to the Fund's existing positions. We also completed a number of process-driven sales for holdings that reached our respective target prices: Brookfield Asset Management, Canadian Pacific Railway, Franco-Nevada Corp., Open Text, Eli Lilly and Co., AutoZone Inc., Ingersoll-Rand plc, Oracle Corp., American Express, KLA Corp., Merck & Co., JPMorgan Chase & Co., Carlsberg A/S, SMC Corp., Tokyo Electron, GlaxoSmithKline plc, Gjensidige Forsikring ASA and Air Liquide SA. Full sales of Gjensidige, GEA Group AG, Resona Holdings Inc., Eli Lilly, Halliburton, IGM Financial and SNC-Lavalin were also conducted, as were trims of Smith & Nephew, Quebecor Inc., Tokyo Electron, Air Liquide, American Express and KLA. In addition, we eliminated the fund's position in small-cap equities early in the reporting period, as we saw better risk-adjusted returns in both large cap Canadian and U.S. equities.

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

Recent Developments

Over the past year, we have trimmed a number of positions as they've reached our target prices. However, as we have noted in previous commentaries, finding new opportunities to replace those has become somewhat more challenging. We believe this reflects the fact that stock values have been rising faster than fundamental earnings growth, leading to higher valuations, and in many swathes of the market, what we believe are stretched valuations. There are simply far fewer great companies now trading at deep discounts. That said, we do not own the market – we own a basket of what we view as high-quality companies that generate sustainable free cash flows; have business models that allow for high returns; have strong balance sheets and capital allocation policies that we feel strike the right balance between corporate needs and shareholder returns; and trade at a discount. Despite the more challenging operating environment, we have not wavered from our disciplined and patient approach to investment management. Forced decisions are marginal decisions, usually followed by profound regret. As the market becomes more expensive, we believe owning more of our gems (i.e., increasing concentration) is a far better approach than forcing a decision on a stock that "might be good enough". Moving in to 2020, the equity portfolio is still trading at a discount to intrinsic value. As a result, while the market appears to be a more expensive than in previous years, we don't believe our outlook for the growth and profitability of the businesses we own is stretched, and we remain quite positive that our holdings will continue to outperform in the years ahead.

On the bond side, central bank easing has reduced the risk of any near-term recession. This has prompted our shift to a slightly shorter duration. Our curve position remains bulleted, although we are reviewing this. We remain slightly overweight credit, albeit with lower beta, more liquid corporate securities, as we

are cognizant that there could be a bubble building. As we believe the Canadian dollar could strengthen over the next several months, we remain long Canada. From a provincial perspective, we are overweight the provinces of Ontario and Quebec, and to a lesser extent, Alberta. We remain fractionally underweight British Columbia.

Market Risk 2020

The impact of the coronavirus ("COVID-19") outbreak on the financial performance of the Fund's investments will depend on future developments, including the duration and spread of the outbreak and related advisories and restrictions. These developments and the impact of COVID-19 on the financial markets and the overall economy are highly uncertain and cannot be predicted. If the financial markets and/or the overall economy are impacted for an extended period, the Fund's future investment results may be materially adversely affected.

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	1.75	57	43
Class D	1.00	25	75
Class F	0.85	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 Balanced 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 past 5 years ended December 31. This 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 years ended December 31)

\$	2019	2018	2017	2016	2015
Net assets, beginning of year	11.37	12.61	12.12	11.50	11.66
Increase (decrease) from operations					
Total revenue	0.36	0.36	0.33	0.35	0.34
Total expenses	(0.27)	(0.28)	(0.28)	(0.26)	(0.33)
Realized gains (losses) for the year	0.51	0.66	0.61	0.45	0.39
Unrealized gains (losses) for the year	0.78	(1.32)	0.40	0.44	(0.17)
Total increase (decrease) from operations ⁽¹⁾	1.38	(0.58)	1.06	0.98	0.23
Distributions to unitholders per unit:					
From net investment income (excluding dividends)	0.06	0.07	0.03	0.03	0.07
From dividends	0.04	0.04	0.07	0.09	0.04
From capital gains	0.30	0.59	0.51	0.19	0.36
From return of capital	—	—	—	—	—
Total annual distributions ⁽²⁾	0.40	0.70	0.61	0.31	0.47
Net assets, end of year ⁽³⁾	12.35	11.37	12.61	12.12	11.50

Ratios and Supplemental Data

Class B Units

(for the years ended December 31)

	2019	2018	2017	2016	2015
Total net asset value (\$) (000's) ⁽⁴⁾	76,672	72,226	60,575	28,230	21,294
Number of outstanding units (000's) ⁽⁴⁾	6,209	6,354	4,803	2,329	1,852
Management expense ratio ⁽⁵⁾	2.05%	2.04%	2.02%	2.03%	2.03%
Management expense ratio before waivers or absorptions ⁽⁶⁾	N/A	N/A	N/A	N/A	N/A
Portfolio turnover rate ⁽⁷⁾	63%	93%	105%	76%	61%
Trading expense ratio (%) ⁽⁸⁾	0.04%	0.06%	0.05%	0.04%	0.06%
Net asset value per unit, end of year	12.35	11.37	12.61	12.12	11.50

Financial Highlights per unit

Class D Units

(for the years ended December 31)

\$	2019	2018	2017	2016	2015
Net assets, beginning of year	19.04	21.09	20.22	19.15	19.38
Increase (decrease) from operations					
Total revenue	0.60	0.61	0.56	0.59	0.57
Total expenses	(0.28)	(0.28)	(0.28)	(0.26)	(0.32)
Realized gains (losses) for the year	0.85	1.11	1.02	0.74	0.67
Unrealized gains (losses) for the year	1.36	(2.18)	0.69	0.67	(0.36)
Total increase (decrease) from operations ⁽¹⁾	2.53	(0.74)	1.99	1.74	0.56
Distributions to unitholders per unit:					
From net investment income (excluding dividends)	0.21	0.20	0.09	0.08	0.20
From dividends	0.12	0.12	0.19	0.25	0.11
From capital gains	0.51	0.99	0.86	0.32	0.59
From return of capital	—	—	—	—	—
Total annual distributions ⁽²⁾	0.84	1.31	1.14	0.65	0.90
Net assets, end of year ⁽³⁾	20.70	19.04	21.09	20.22	19.15

Ratios and Supplemental Data

Class D Units

(for the years ended December 31)

	2019	2018	2017	2016	2015
Total net asset value (\$) (000's) ⁽⁴⁾	197,614	201,745	203,151	166,136	143,296
Number of outstanding units (000's) ⁽⁴⁾	9,548	10,596	9,631	8,216	7,482
Management expense ratio ⁽⁵⁾	1.20%	1.20%	1.20%	1.20%	1.20%
Management expense ratio before waivers or absorptions ⁽⁶⁾	N/A	N/A	N/A	N/A	N/A
Portfolio turnover rate ⁽⁷⁾	63%	93%	105%	76%	61%
Trading expense ratio (%) ⁽⁸⁾	0.04%	0.06%	0.05%	0.04%	0.06%
Net asset value per unit, end of year	20.70	19.04	21.09	20.22	19.15

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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 past 5 years ended December 31. This 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 years ended December 31)

\$	2019	2018	2017	2016	2015
Net assets, beginning of year	11.54	12.80	12.30	11.67	11.83
Increase (decrease) from operations					
Total revenue	0.37	0.38	0.34	0.35	0.35
Total expenses	(0.16)	(0.16)	(0.16)	(0.15)	(0.18)
Realized gains (losses) for the year	0.52	0.66	0.62	0.47	0.38
Unrealized gains (losses) for the year	0.77	(1.40)	0.33	0.45	(0.29)
Total increase (decrease) from operations ⁽¹⁾	1.50	(0.52)	1.13	1.12	0.26
Distributions to unitholders per unit:					
From net investment income (excluding dividends)	0.14	0.14	0.07	0.06	0.14
From dividends	0.08	0.09	0.15	0.17	0.08
From capital gains	0.31	0.60	0.52	0.20	0.36
From return of capital	—	—	—	—	—
Total annual distributions ⁽²⁾	0.53	0.83	0.74	0.43	0.58
Net assets, end of year ⁽³⁾	12.53	11.54	12.80	12.30	11.67

Ratios and Supplemental Data

Class F Units

(for the years ended December 31)

	2019	2018	2017	2016	2015
Total net asset value (\$) (000's) ⁽⁴⁾	58,002	49,064	37,294	11,148	7,335
Number of outstanding units (000's) ⁽⁴⁾	4,627	4,252	2,913	906	629
Management expense ratio ⁽⁵⁾	1.06%	1.05%	1.05%	1.06%	1.05%
Management expense ratio before waivers or absorptions ⁽⁶⁾	N/A	N/A	N/A	N/A	N/A
Portfolio turnover rate ⁽⁷⁾	63%	93%	105%	76%	61%
Trading expense ratio (%) ⁽⁸⁾	0.04%	0.06%	0.05%	0.04%	0.06%
Net asset value per unit, end of year	12.53	11.54	12.80	12.30	11.67

Financial Highlights per unit

Class I Units

(for the years ended December 31)

\$	2019	2018	2017	2016	2015
Net assets, beginning of year	19.80	21.95	21.05	19.95	20.21
Increase (decrease) from operations					
Total revenue	0.63	0.64	0.58	0.61	0.60
Total expenses	(0.06)	(0.05)	(0.05)	(0.05)	(0.04)
Realized gains (losses) for the year	0.89	1.14	1.06	0.76	0.73
Unrealized gains (losses) for the year	1.38	(2.26)	0.74	0.66	(0.35)
Total increase (decrease) from operations ⁽¹⁾	2.84	(0.53)	2.33	1.98	0.94
Distributions to unitholders per unit:					
From net investment income (excluding dividends)	0.38	0.37	0.17	0.15	0.36
From dividends	0.21	0.22	0.37	0.43	0.20
From capital gains	0.53	1.03	0.90	0.34	0.62
From return of capital	—	—	—	—	—
Total annual distributions ⁽²⁾	1.12	1.62	1.44	0.92	1.18
Net assets, end of year ⁽³⁾	21.51	19.80	21.95	21.05	19.95

Ratios and Supplemental Data

Class I Units

(for the years ended December 31)

	2019	2018	2017	2016	2015
Total net asset value (\$) (000's) ⁽⁴⁾	3,773,493	3,546,662	3,890,752	3,498,150	3,424,755
Number of outstanding units (000's) ⁽⁴⁾	175,409	179,135	177,219	166,146	171,628
Management expense ratio ⁽⁵⁾	0.07%	0.07%	0.07%	0.07%	0.07%
Management expense ratio before waivers or absorptions ⁽⁶⁾	0.11%	0.11%	0.11%	N/A	N/A
Portfolio turnover rate ⁽⁷⁾	63%	93%	105%	76%	61%
Trading expense ratio (%) ⁽⁸⁾	0.04%	0.06%	0.05%	0.04%	0.06%
Net asset value per unit, end of year	21.51	19.80	21.95	21.05	19.95

Beutel Goodman Balanced 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 year.
- (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 year end of the year shown.
- (5) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated year and is expressed as an annualized percentage of daily average net asset value during the year.
- (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 year.

Past Performance

The performance returns below:

- are calculated as of **December 31** in each 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.**

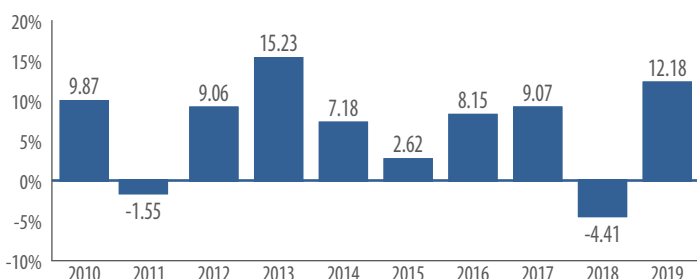
Please remember that the past performance of the Fund is not an accurate prediction of future returns.

Beutel Goodman Balanced Fund

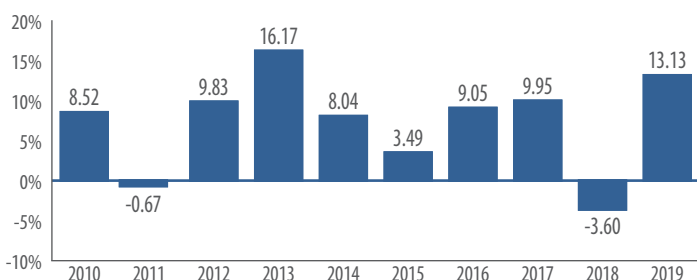
Year-by-Year Returns

The bar chart indicates the Fund's annual performance for each of the year's shown and illustrates 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 would have grown or decreased by the last day of each financial year.

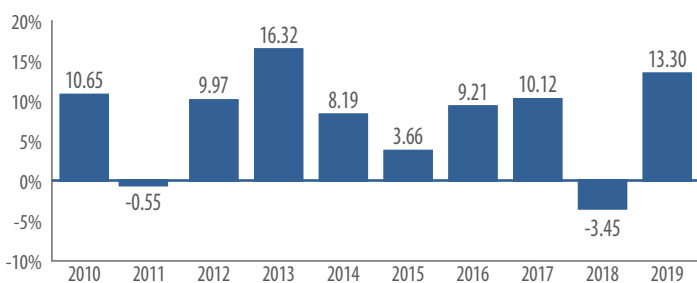
Class B



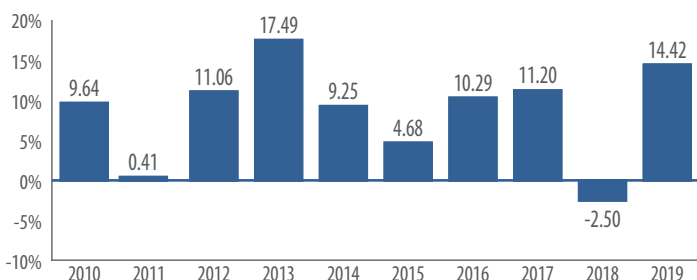
Class D



Class F



Class I



Annual Compound Returns

The following table shows the Fund's historical annual compound total returns for each of the periods indicated ended on December 31, 2019, as compared to the performance of both the Balanced Fund Benchmark [comprised of FTSE Canada Universe Bond Index (40%), MSCI EAFE (C\$) Index (13%), S&P 500 (C\$) Index (12%), S&P/TSX Composite Index (30%) and FTSE Canada 91Day T-Bill Index (5%)] and respective indices.*

Class B

	Since Inception	10 Years	5 Years	3 Years	Past Year
Beutel Goodman Balanced Fund	% 6.43	–	5.36	5.36	12.18
Balanced Fund Benchmark	% 6.90	–	6.18	6.45	14.63
FTSE Canada Universe Bond Index	% 3.85	–	3.18	3.57	6.87
MSCI EAFE (C\$) Index	% 8.50	–	8.04	8.28	15.85
S&P 500 (C\$) Index	% 17.13	–	14.20	13.92	24.84
S&P/TSX Composite Index	% 6.65	–	6.28	6.89	22.88
FTSE Canada 91Day T-Bill Index	% 0.96	–	0.94	1.18	1.61

Class B units have been available for sale to unitholders since September 27, 2010.

Class D

	10 Years	5 Years	3 Years	Past Year
Beutel Goodman Balanced Fund	% 7.24	6.24	6.24	13.13
Balanced Fund Benchmark	% 6.96	6.18	6.45	14.63
FTSE Canada Universe Bond Index	% 4.31	3.18	3.57	6.87
MSCI EAFE (C\$) Index	% 7.78	8.04	8.28	15.85
S&P 500 (C\$) Index	% 16.01	14.20	13.92	24.84
S&P/TSX Composite Index	% 6.90	6.28	6.89	22.88
FTSE Canada 91Day T-Bill Index	% 0.91	0.94	1.18	1.61

Class F

	Since Inception	10 Years	5 Years	3 Years	Past Year
Beutel Goodman Balanced Fund	% 7.47	–	6.40	6.40	13.30
Balanced Fund Benchmark	% 6.90	–	6.18	6.45	14.63
FTSE Canada Universe Bond Index	% 3.85	–	3.18	3.57	6.87
MSCI EAFE (C\$) Index	% 8.50	–	8.04	8.28	15.85
S&P 500 (C\$) Index	% 17.13	–	14.20	13.92	24.84
S&P/TSX Composite Index	% 6.65	–	6.28	6.89	22.88
FTSE Canada 91Day T-Bill Index	% 0.96	–	0.94	1.18	1.61

Class F units have been available for sale to unitholders since September 27, 2010.

Class I

	10 Years	5 Years	3 Years	Past Year
Beutel Goodman Balanced Fund	% 8.44	7.45	7.45	14.42
Balanced Fund Benchmark	% 6.96	6.18	6.45	14.63
FTSE Canada Universe Bond Index	% 4.31	3.18	3.57	6.87
MSCI EAFE (C\$) Index	% 7.78	8.04	8.28	15.85
S&P 500 (C\$) Index	% 16.01	14.20	13.92	24.84
S&P/TSX Composite Index	% 6.90	6.28	6.89	22.88
FTSE Canada 91Day T-Bill Index	% 0.91	0.94	1.18	1.61

* The Balanced Fund Benchmark is a benchmark prepared by the Manager and is designed to reflect the average asset mix of a universe of balanced fund managers, which consists of: The S&P/TSX Composite Index is designed to represent the Canadian mid-large cap equity market (30%); The S&P 500 (C\$) Index is designed to represent the U.S. equity market (12%); The MSCI EAFE (C\$) Index is designed to reflect non-North American stock markets (13%); The FTSE Canada Universe Bond Index is designed to reflect the Canadian bond market (40%); The FTSE Canada 91Day T-Bill Index is designed to reflect short term securities (5%).

A discussion of the relative performance of the Fund is under the Results of Operations section of this report.

Beutel Goodman Balanced Fund

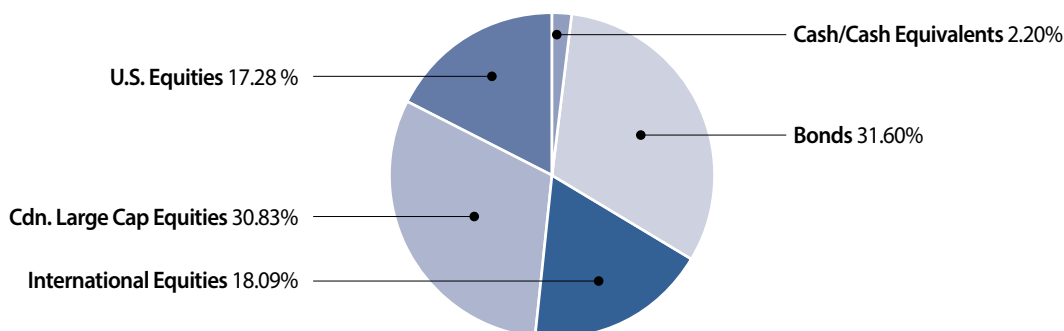
Summary of Investment Portfolio

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	Coupon Rate (%)	Maturity Date	% of Net Assets	Issuer Name	Coupon Rate (%)	Maturity Date	% of Net Assets
1. Royal Bank of Canada			2.85	13. Canadian Government Bond	2.250	1-Jun-29	1.23
2. The Toronto-Dominion Bank			2.62	14. Government of Canada	1.653	19-Mar-20	1.17
3. Province of Ontario	2.400	2-Jun-26	2.33	15. Province of Ontario	2.700	2-Jun-29	1.13
4. Rogers Communications Inc., Class B			2.28	16. Province of Quebec	2.300	1-Sep-29	1.13
5. Canadian Government Bond	2.750	1-Dec-48	2.02	17. Bank of Montreal			1.04
6. Metro Inc., Class A			1.71	18. Verizon Communications Inc.			1.03
7. Canadian Natural Resources Ltd.			1.64	19. NortonLifeLock Inc.			1.01
8. Magna International Inc.			1.56	20. Canadian Tire Corp Ltd., Class A			1.00
9. Sun Life Financial Inc.			1.36	21. Amgen Inc.			0.99
10. Bank of Nova Scotia			1.35	22. Parker Hannifin Corp.			0.96
11. Brookfield Asset Management Inc.			1.33	23. Canadian National Railway Co.			0.95
12. Nutrien Ltd.			1.33	24. Ameriprise Financial Inc.			0.94
				25. Royal Bank of Canada	2.609	1-Nov-24	0.92

Asset Mix





Beutel, Goodman & Company Ltd.
20 Eglinton Avenue West, Suite 2000
P.O. Box 2005, Toronto, Ontario
M4R 1K8

Telephone: (416) 932-6403
Toll-free: 1-855-247-9954
Fax: (416) 485-8194

E-mail: mutualfunds@beutelgoodman.com

www.beutelgoodman.com