



Interim Management Report of Fund Performance

June 30, 2020

Beutel Goodman American Equity Fund

Beutel Goodman American 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 American Equity Fund

Management Discussion of Fund Performance

Investment Objectives and Strategies

This Fund seeks long-term capital growth primarily through investments in common shares and other equity securities of established American issuers.

The Fund invests in equity securities selected from a universe of potential candidates whose management have consistently demonstrated a commitment to create shareholder value without undue financial leverage. A value approach is applied, and research is directed to identify stocks which can be purchased at a reasonable price.

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

The January 1 to June 30, 2020 period was one of unprecedented volatility across the globe. The new year (and decade) started out relatively positively, with equity markets trading higher amid easing political tensions and a Phase 1 trade agreement between China and the U.S. All-time highs were reached in February as corporate earnings, positive trade news from China and strong employment data buttressed equity markets. Then, intensifying concerns around COVID-19 – declared a pandemic on March 11 – and its potentially crippling effects on global growth led to steep equity market declines. From its all-time peak on February 19 to the period's trough reached on March 23, the S&P 500 Index dropped 27.28% as investors sold equities indiscriminately. Possibly the one thing that could be described as positive in the ensuing weeks was the speed with which central banks and governments moved to provide massive intervention and stimulus measures. In the U.S., multiple emergency rate cuts were announced in March, along with plans to support the economy and financial markets through quantitative easing measures and significant fiscal stimulus. The relief measures have been largely successful at calming markets, despite the severity of the downturn. Going into the second half of the year, labour data, while "less bad", remains weak; fears of a second wave of the pandemic abound; and agencies such as the OECD, World Bank and IMF have provided extremely cautious outlooks for a global economic recovery. However, with stimulus measures in place, countries around the world cautiously reopening, a potential vaccine on the horizon, and improving data on the margin, equity markets appear focused on the positive. As a result, S&P 500 Index (C\$) performance rebounded somewhat from its trough to end the period with a total return of 1.80%.

Against this backdrop, the Fund underperformed the benchmark in the period. Unlike the benchmark, the Fund's return is net of fees and expenses paid by the Fund. At the sector level, the main drivers of underperformance were a combination of stock selection and relative underweightings in Information Technology and Consumer Discretionary, stock selection in Communication Services and Materials, and stock selection and an overweighting in Industrials. Offsetting this somewhat were zero weightings in the underperforming Energy, Utilities and Real Estate sectors, and stock selection in Consumer Staples, Financials and Health Care.

At the individual security level, some of the main detractors in the period on an absolute-return basis were Omnicom Group Inc., Harley-Davidson Inc. and Flowserve Corp. Advertising and specialty communications firm Omnicom weakened in the period, reflecting pandemic-related ad-spending cutbacks by companies across a broad range of industries. As has been the case for much of the equity market, COVID-19 negatively affected Harley-Davidson's share price in the period. Flowserve, a global leader in the manufacturing and aftermarket service of flow control systems such as pumps, valves and seals, declined amid a double-whammy of COVID-19 and a collapse in oil prices in the period. As always, we continue to monitor all our holdings and will act according to our process.

Individual contributors on an absolute-return basis included NortonLifeLock Inc, AmerisourceBergen Corp. and Oracle Corp. Following the sale of its enterprise-security business to Broadcom, NortonLifeLock paid out a special dividend of \$12 per share on January 31, and the stock held up during the subsequent market rout. The company has expanded its subscriber base sequentially, and its focus on one core business appears to be leading to a better return on investments via improving core products, increased bundling and geographic expansion. Drug wholesale company AmerisourceBergen also contributed, as stocks in the Health Care sector proved more resilient than the broader market. Oracle, the global leader in enterprise software, rose in tandem with the broader Information Technology sector.

Given the unprecedented set of circumstances, many stocks in our portfolio unsurprisingly breached our downside targets. We worked quickly and tactically to separate the stocks that required our immediate attention and those that were caught in the drawdown related to uncertainty. Businesses that we believed could face balance sheet distress or whose structure and long-term fundamentals would be impacted by COVID-19 or the new oil-price dynamics were immediately reviewed. Although the list of stocks that required immediate attention was short, target-price adjustments were made for some, and we exited two positions, LyondellBasell Industries NV and Wells Fargo & Co. We also conducted three process-driven one-third sales as Ingersoll-Rand plc (now Trane Technologies plc), NortonLifeLock and KLA Corp. hit our target prices.

In addition, we took advantage of market swings to initiate positions in three new stocks – PPG Industries Inc., Wabtec Corp. and SEI Investments Company – and cycle out of outperformers early in the period and into some of holdings that have been disproportionately affected by the events of the last few months. Of particular note, we trimmed Parker Hannifin, Kimberly-Clark Corp. and Kellogg Company and added to our positions in Flowserve Corp., Merck & Co., Inc. and American Express.

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

Beutel Goodman American Equity Fund

Recent Developments

During the period, we launched a U.S. dollar purchase option for Beutel Goodman American Equity Fund.

In addition, there were notable changes to the U.S. and International Equity team in the period. On March 31, 2020, Mark Thomson, Managing Director, Equities, officially retired from Beutel, Goodman & Company Ltd., and on May 25, 2020, Ryan Fitzgerald, CFA, joined us as Vice President, U.S. and International Equities. There has been no impact on the portfolios as a result of the changes, nor do we expect there to be.

The initial reaction to mass uncertainty in equity markets is mayhem – everything typically goes down, a scenario we saw in the first quarter of the year. In the rebounds that generally follow, whether months or years later, valuation and quality historically have come back into favour. Reopening efforts by countries around the world appear to have prompted an optimistic rebound, as markets look ahead to a “V”- or “U”-shaped recovery. However, the divergences we are seeing in this rally do not seem to be based on valuations. As a result, the gap between growth and value continues to widen.

We do not yet think there are clear sightlines as to how the pandemic and other exogenous events will impact corporate structures, balance sheets or even whole industries. There are still too many unknowns. That said, the wider the gap between growth and value gets, the more conviction we have in our outlook for our portfolios. The market was expensive entering the drawdown, and has returned almost to pre-COVID-19 levels, but the rally has been very uneven. Thus, while the broad market looks expensive, our opportunity set, as value managers, has actually expanded.

Although we expect to see continued volatility in the months ahead, both in markets and portfolio performance, we continue to trust in our process, which has helped us navigate through many types of drawdowns. We are confident that the quality businesses we hold are cheap not only relative to their intrinsic values, but also relative to the value market overall. As a result, we believe the portfolio is well-positioned to outperform in the longer term and will continue to closely monitor and apply our disciplined investment process.

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.

	As a Percentage of Management Fees		
	Maximum Annual Management Fee Rate %	Dealer Compensation %	General Administration, Investment Advice and Profit %
Class B	1.85	54	46
Class D	1.25	20	80
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 American 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, 2020 and years ended December 31)

\$	June 2020	2019	2018	2017	2016	2015
Net assets, beginning of period	24.08	20.27	22.05	21.16	19.42	18.23
Increase (decrease) from operations						
Total revenue	1.12	0.57	0.53	0.48	0.63	0.45
Total expenses	(0.40)	(0.57)	(0.55)	(0.56)	(0.52)	(0.54)
Realized gains (losses) for the period	0.27	1.20	1.89	2.37	1.42	1.80
Unrealized gains (losses) for the period	(2.29)	3.13	(2.25)	(0.08)	0.92	0.75
Total increase (decrease) from operations⁽¹⁾	(1.30)	4.33	(0.38)	2.21	2.45	2.46
Distributions to unitholders per unit:						
From net investment income (excluding dividends)	—	—	—	—	—	—
From dividends	—	—	—	—	0.14	—
From capital gains	—	0.53	1.36	1.66	0.61	1.48
From return of capital	—	—	—	—	—	—
Total period distributions⁽²⁾	—	0.53	1.36	1.66	0.75	1.48
Net assets, end of period⁽³⁾	22.90	24.08	20.27	22.05	21.16	19.42

Ratios and Supplemental Data

Class B Units

(for the period ended June 30, 2020 and years ended December 31)

	June 2020	2019	2018	2017	2016	2015
Total net asset value (\$) (000's)⁽⁴⁾	70,527	82,861	80,079	97,107	53,042	43,843
Number of outstanding units (000's)⁽⁴⁾	3,080	3,442	3,950	4,405	2,506	2,258
Management expense ratio⁽⁵⁾	2.16%	2.16%	2.17%	2.17%	2.17%	2.18%
Management expense ratio before waivers or absorptions⁽⁶⁾	N/A	N/A	N/A	N/A	N/A	N/A
Portfolio turnover rate⁽⁷⁾	18%	17%	32%	37%	24%	39%
Trading expense ratio (%)⁽⁸⁾	0.06%	0.03%	0.04%	0.06%	0.05%	0.07%
Net asset value per unit, end of period	22.90	24.08	20.27	22.05	21.16	19.42

Financial Highlights per unit

Class D Units

(for the period ended June 30, 2020 and years ended December 31)

\$	June 2020	2019	2018	2017	2016	2015
Net assets, beginning of period	16.71	14.06	15.24	14.56	13.35	12.52
Increase (decrease) from operations						
Total revenue	0.79	0.40	0.36	0.33	0.43	0.31
Total expenses	(0.23)	(0.29)	(0.27)	(0.27)	(0.26)	(0.26)
Realized gains (losses) for the period	0.18	0.84	1.31	1.66	0.99	1.24
Unrealized gains (losses) for the period	(1.66)	2.18	(1.55)	0.03	0.67	0.53
Total increase (decrease) from operations⁽¹⁾	(0.92)	3.13	(0.15)	1.75	1.83	1.82
Distributions to unitholders per unit:						
From net investment income (excluding dividends)	—	—	—	—	—	—
From dividends	—	0.11	0.05	0.04	0.18	0.07
From capital gains	—	0.37	0.95	1.15	0.42	1.02
From return of capital	—	—	—	—	—	—
Total period distributions⁽²⁾	—	0.48	1.00	1.19	0.60	1.09
Net assets, end of period⁽³⁾	15.94	16.71	14.06	15.24	14.56	13.35

Ratios and Supplemental Data

Class D Units

(for the period ended June 30, 2020 and years ended December 31)

	June 2020	2019	2018	2017	2016	2015
Total net asset value (\$) (000's)⁽⁴⁾	103,473	127,607	123,443	156,798	128,919	106,897
Number of outstanding units (000's)⁽⁴⁾	6,490	7,638	8,779	10,291	8,853	8,009
Management expense ratio⁽⁵⁾	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
Management expense ratio before waivers or absorptions⁽⁶⁾	N/A	N/A	N/A	N/A	N/A	N/A
Portfolio turnover rate⁽⁷⁾	18%	17%	32%	37%	24%	39%
Trading expense ratio (%)⁽⁸⁾	0.06%	0.03%	0.04%	0.06%	0.05%	0.07%
Net asset value per unit, end of period	15.94	16.71	14.06	15.24	14.56	13.35

Beutel Goodman American 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, 2020 and years ended December 31)

\$	June 2020	2019	2018	2017	2016	2015
Net assets, beginning of period	16.86	14.21	15.43	14.78	13.54	12.71
Increase (decrease) from operations						
Total revenue	0.79	0.41	0.37	0.33	0.43	0.32
Total expenses	(0.20)	(0.23)	(0.22)	(0.23)	(0.22)	(0.21)
Realized gains (losses) for the period	0.19	0.84	1.36	1.68	1.01	1.21
Unrealized gains (losses) for the period	(1.62)	2.20	(1.67)	(0.09)	0.65	0.54
Total increase (decrease) from operations⁽¹⁾	(0.84)	3.22	(0.16)	1.69	1.87	1.86
Distributions to unitholders per unit:						
From net investment income (excluding dividends)	–	–	–	–	–	–
From dividends	–	0.19	0.14	0.13	0.24	0.13
From capital gains	–	0.37	0.96	1.17	0.43	1.04
From return of capital	–	–	–	–	–	–
Total period distributions⁽²⁾	–	0.56	1.10	1.30	0.67	1.17
Net assets, end of period⁽³⁾	16.12	16.86	14.21	15.43	14.78	13.54

Ratios and Supplemental Data

Class F Units

(for the period ended June 30, 2020 and years ended December 31)

	June 2020	2019	2018	2017	2016	2015
Total net asset value (\$) (000's)⁽⁴⁾	165,511	189,841	150,722	158,075	72,157	54,805
Number of outstanding units (000's)⁽⁴⁾	10,265	11,259	10,609	10,245	4,883	4,047
Management expense ratio⁽⁵⁾	1.10%	1.10%	1.10%	1.11%	1.10%	1.10%
Management expense ratio before waivers or absorptions⁽⁶⁾	N/A	N/A	N/A	N/A	N/A	N/A
Portfolio turnover rate⁽⁷⁾	18%	17%	32%	37%	24%	39%
Trading expense ratio (%)⁽⁸⁾	0.06%	0.03%	0.04%	0.06%	0.05%	0.07%
Net asset value per unit, end of period	16.12	16.86	14.21	15.43	14.78	13.54

Financial Highlights per unit

Class I Units

(for the period ended June 30, 2020 and years ended December 31)

\$	June 2020	2019	2018	2017	2016	2015
Net assets, beginning of period	18.16	15.29	16.62	15.88	14.53	13.62
Increase (decrease) from operations						
Total revenue	0.79	0.44	0.40	0.36	0.47	0.34
Total expenses	(0.12)	(0.08)	(0.07)	(0.07)	(0.09)	(0.07)
Realized gains (losses) for the period	0.20	0.91	1.47	1.81	1.08	1.39
Unrealized gains (losses) for the period	(1.64)	2.39	(1.76)	0.07	0.74	0.62
Total increase (decrease) from operations⁽¹⁾	(0.77)	3.66	0.04	2.17	2.20	2.28
Distributions to unitholders per unit:						
From net investment income (excluding dividends)	–	–	–	–	–	–
From dividends	–	0.38	0.32	0.28	0.39	0.28
From capital gains	–	0.40	1.05	1.27	0.46	1.13
From return of capital	–	–	–	–	–	–
Total period distributions⁽²⁾	–	0.78	1.37	1.55	0.85	1.41
Net assets, end of period⁽³⁾	17.46	18.16	15.29	16.62	15.88	14.53

Ratios and Supplemental Data

Class I Units

(for the period ended June 30, 2020 and years ended December 31)

	June 2020	2019	2018	2017	2016	2015
Total net asset value (\$) (000's)⁽⁴⁾	1,167,704	1,133,044	978,918	984,877	787,418	675,737
Number of outstanding units (000's)⁽⁴⁾	66,891	62,383	64,030	59,275	49,576	46,502
Management expense ratio⁽⁵⁾	0.07%	0.07%	0.07%	0.07%	0.11%	0.11%
Management expense ratio before waivers or absorptions⁽⁶⁾	0.11%	0.11%	0.11%	0.11%	N/A	N/A
Portfolio turnover rate⁽⁷⁾	18%	17%	32%	37%	24%	39%
Trading expense ratio (%)⁽⁸⁾	0.06%	0.03%	0.04%	0.06%	0.05%	0.07%
Net asset value per unit, end of period	17.46	18.16	15.29	16.62	15.88	14.53

Beutel Goodman American 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 period 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.**

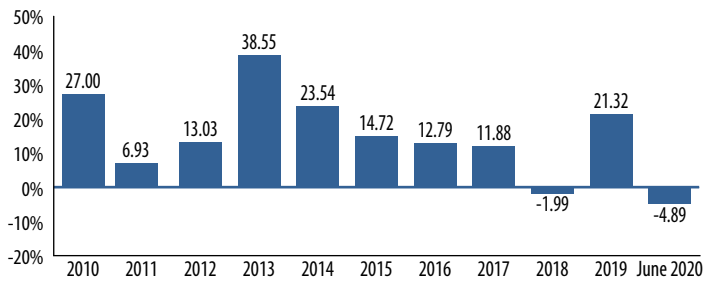
Please remember that the past performance of the Fund is not an accurate prediction of future returns.

Beutel Goodman American Equity Fund

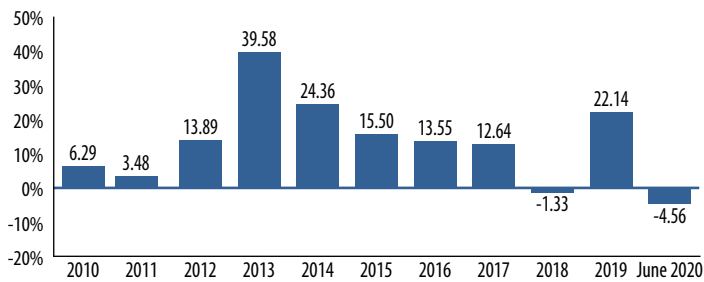
Year-by-Year Returns

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.

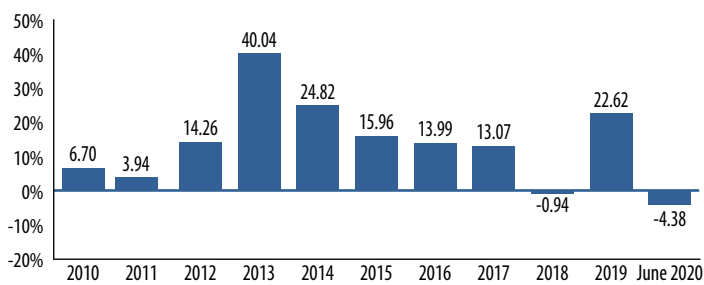
Class B



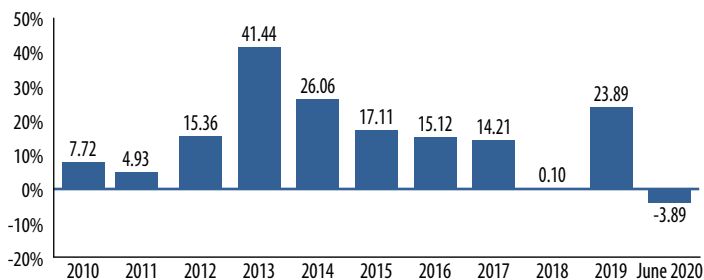
Class D



Class F



Class I



Beutel Goodman American Equity Fund

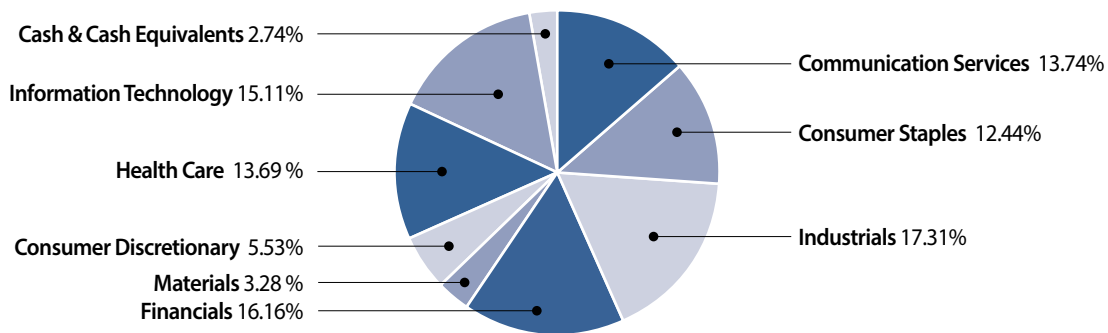
Summary of Investment Portfolio

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. AmerisourceBergen Corp.	5.60	14. Ingersoll Rand Inc.	4.17
2. Oracle Corp.	5.39	15. NortonLifeLock Inc.	3.46
3. Ameriprise Financial Inc.	5.34	16. Campbell Soup Co.	3.37
4. Kellogg Co.	4.87	17. PPG Industries Inc.	3.28
5. Amgen Inc.	4.87	18. Harley-Davidson Inc.	3.22
6. Verizon Communications Inc.	4.87	19. Merck & Co Inc.	3.20
7. Amdocs Ltd.	4.80	20. Parker Hannifin Corp.	2.87
8. Omnicom Group Inc.	4.65	21. Westinghouse Air Brake Technologies Corp.	2.84
9. BlackRock Inc.	4.55	22. AutoZone Inc.	2.31
10. Cummins Inc.	4.53	23. Flowserve Corp.	1.68
11. American Express Co.	4.26	24. JPMorgan Chase & Co.	1.52
12. Comcast Corp.	4.21	25. KLA-Tencor Corp.	1.42
13. Kimberly-Clark Corp.	4.19		

Asset Mix





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