

Interim Management Report of Fund Performance

June 30, 2021

Beutel Goodman Canadian Dividend Fund

Beutel Goodman Canadian Dividend 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 Canadian Dividend Fund

Management Discussion of Fund Performance

Investment Objectives and Strategies

The Fund's objective is to achieve a balance between high dividend income and capital growth by investing mainly in a diversified portfolio of blue-chip Canadian common stocks and, to a lesser extent, in high-yield preferred stocks and interest-bearing securities.

The Fund's advisor chooses primarily blue-chip common stocks, but may also invest in other securities, including foreign securities, with a preference to capital growth, while seeking to provide a high, regular level of income. The Fund seeks reputable stocks that are undervalued in the market, focusing on mid and large capitalization Canadian corporations in a variety of industries, favouring equity securities that provide a stable income. The Fund may use derivatives, principally to hedge against changes in the exchange rate between the Canadian dollar and foreign currencies in which investments held by the Fund are denominated.

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

Over the six-month period ended June 30, 2021, Beutel Goodman Canadian Dividend Fund (the "Fund"), Class B underperformed its benchmark. Unlike the benchmark, the Fund's return is net of fees and expenses paid by the Fund. Detailed performance is provided under the heading "Past Performance" in this report.

Equity markets rose steadily over the period, once again reaching all-time highs. Robust economic data driven by economies re-opening and continued stimulus from central banks are providing positive impetus for markets. Higher commodity prices supported Canadian equities and continued to fuel inflation fears. The months ahead will confirm whether we are truly on the path to a healthy recovery. The S&P/TSX Composite Index rose by 17.28% over the period, one of the top-performing markets on a global basis. Energy was the top-performing sector, gaining 37.04%, driven by rebounding oil and gas prices. Financials, Health Care, Real Estate, Information Technology, Communication Services and Consumer Discretionary also posted double-digit returns. Materials recorded the weakest and only negative sector performance over the period.

Key Contributors to Performance

- The top-performing sectors during the period relative to the benchmark were Materials, Industrials and Utilities.
 - A combination of both stock selection and an underweight position in the Materials sector, an area of relative weakness in the benchmark, contributed to the Fund's relative performance.
 - A combination of both stock selection and an underweight position in the Industrials sector, an area of relative weakness in the benchmark, contributed to the Fund's relative performance.
 - An underweight position in the Utilities sector, an area of relative weakness in the benchmark, also contributed to the Fund's relative performance.
- Over the period, the largest individual contributors to Fund performance included Toronto-Dominion Bank, Royal Bank of Canada, Power Corp. of Canada, Bank of Montreal and Nutrien Ltd.

Key Detractors from Performance

- From a sector perspective, the Fund's holdings in the Consumer Staples, Energy and Health Care sectors were the largest detractors from the Fund's relative performance over the period.
 - A combination of both stock selection and an overweight position in the Consumer Staples sector, an area of relative weakness in the benchmark, detracted from the Fund's relative performance.
 - A combination of both stock selection and an underweight position in the Energy sector, an area of relative strength in the benchmark, detracted from the Fund's relative performance.
 - Stock selection in the Health Care sector detracted from the Fund's relative performance.
- Over the period, the largest individual detractors from Fund performance included Verizon Communications Inc., Henkel AG & Co. KGaA, Manulife Financial Corp. and Canadian National Railway Co.

Portfolio Activity

- The portfolio management team (the "team") employs a stock selection process that is based on identifying securities trading at a significant discount to their business value. The Fund's country, sector and stock weights are outcomes of the team's investment decisions based on bottom-up fundamentals and business quality. As a by-product of the team's bottom-up investment process, market performance and general management activity, the following changes occurred in the Fund's portfolio during the reporting period:
 - The Fund's equity weighting in the U.S. decreased due to relative performance and the team's buy/sell activities. These proceeds were largely reallocated to Fund holdings in Canada and Denmark.
 - The Fund's Energy, Utilities and Information Technology sector weightings increased over the period because of relative performance and the team's buy/sell activities.

Beutel Goodman Canadian Dividend Fund

- The Fund's Materials, Financials and Communication Services sector weightings decreased over the period because of relative performance and the team's buy/sell activities.
- New additions to the Fund over the period included TC Energy Corp., Canadian National Railway Co., Restaurant Brands International Inc., Manulife Financial Corp., Fortis Inc. and Amdocs Ltd.
- Some of the liquidations from the Fund included Canadian Natural Resources Ltd., Teck Resources Ltd., Finning International Inc. and Cummins Inc.
- At period-end, there were 33 holdings in the Fund, up from 31 at the beginning of the period.
- The Fund's level of cash and cash equivalents ended the period down slightly from the beginning of the period.

Recent Developments

On April 26, 2021, Ryan Laird, MBA, CFA joined the company as Credit Analyst, Fixed Income. With the addition of Ryan Laird to the Fixed income team, Mary Crowe, CFA transitioned from the Fixed Income team to the Canadian Equities team. There has been no impact on the portfolios as a result of these changes, nor does Beutel Goodman expect there to be.

Optimism around a potential large infrastructure plan by President Biden in the U.S. and positive trends in vaccination rates in Canada leading to a quicker-than-expected reopening of the economy have likely contributed to strong equity market performance. The market has, to a large extent, disregarded inflation concerns spurred by higher energy prices.

While these market factors are interesting, for us they serve as a reminder of why we focus on our equity investment process and the companies in our portfolios instead of attempting to forecast economic themes or time the markets. Given our unique disciplined value investment philosophy, our portfolios are unlikely to fit neatly into a predetermined definition of value. Many of our largest holdings are only now trading at levels that approach where they were pre-pandemic in terms of market price. While the market has gotten more expensive, many of our holdings remain undervalued relative to our target prices. Our focus on our process allows us to remain disciplined in searching out opportunities to own great companies trading at a discount to our estimate of intrinsic value.

Market Risk 2021

The impact of the coronavirus ("COVID-19") pandemic 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. This public health crisis 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 continue to be 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 Canadian Dividend 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, 2021 and years ended December 31)

\$	June 2021	2020	2019	2018	2017	2016
Net assets, beginning of period	15.68	16.46	14.55	15.93	15.13	13.11
Increase (decrease) from operations						
Total revenue	0.31	0.74	0.56	0.53	0.49	0.53
Total expenses	(0.20)	(0.36)	(0.37)	(0.37)	(0.37)	(0.33)
Realized gains (losses) for the period	1.03	(0.37)	0.61	0.28	0.50	0.21
Unrealized gains (losses) for the period	1.38	(0.82)	1.27	(1.47)	0.78	2.05
Total increase (decrease) from operations⁽¹⁾	2.52	(0.81)	2.07	(1.03)	1.40	2.46
Distributions to unitholders per unit:						
From net investment income (excluding dividends)	–	0.15	0.01	–	–	–
From dividends	0.13	0.23	0.21	0.16	0.11	0.25
From capital gains	–	–	–	0.30	0.41	–
From return of capital	–	–	–	–	–	–
Total period distributions⁽²⁾	0.13	0.38	0.22	0.46	0.52	0.25
Net assets, end of period⁽³⁾	18.06	15.68	16.46	14.55	15.93	15.13

Ratios and Supplemental Data

Class B Units

(for the period ended June 30, 2021 and years ended December 31)

	June 2021	2020	2019	2018	2017	2016
Total net asset value (\$) (000's)⁽⁴⁾	98,587	89,697	119,002	93,022	66,169	26,944
Number of outstanding units (000's)⁽⁴⁾	5,460	5,719	7,228	6,394	4,155	1,781
Management expense ratio⁽⁵⁾	2.13%	2.13%	2.14%	2.14%	2.13%	2.12%
Management expense ratio before waivers or absorptions⁽⁶⁾	N/A	N/A	N/A	N/A	N/A	N/A
Portfolio turnover rate⁽⁷⁾	22%	33%	25%	23%	25%	15%
Trading expense ratio (%)⁽⁸⁾	0.06%	0.06%	0.05%	0.06%	0.09%	0.07%
Net asset value per unit, end of period	18.06	15.68	16.46	14.55	15.93	15.13

Financial Highlights per unit

Class D Units

(for the period ended June 30, 2021 and years ended December 31)

\$	June 2021	2020	2019	2018	2017	2016
Net assets, beginning of period	10.28	10.78	9.51	10.38	9.82	8.48
Increase (decrease) from operations						
Total revenue	0.20	0.48	0.38	0.36	0.32	0.35
Total expenses	(0.10)	(0.17)	(0.17)	(0.17)	(0.16)	(0.14)
Realized gains (losses) for the period	0.67	(0.23)	0.37	0.19	0.36	0.14
Unrealized gains (losses) for the period	0.92	(0.52)	0.91	(0.88)	0.41	1.24
Total increase (decrease) from operations⁽¹⁾	1.69	(0.44)	1.49	(0.50)	0.93	1.59
Distributions to unitholders per unit:						
From net investment income (excluding dividends)	–	0.12	0.01	–	–	–
From dividends	0.12	0.19	0.19	0.14	0.10	0.19
From capital gains	–	–	–	0.19	0.27	–
From return of capital	–	–	–	–	–	–
Total period distributions⁽²⁾	0.12	0.31	0.20	0.33	0.37	0.19
Net assets, end of period⁽³⁾	11.83	10.28	10.78	9.51	10.38	9.82

Ratios and Supplemental Data

Class D Units

(for the period ended June 30, 2021 and years ended December 31)

	June 2021	2020	2019	2018	2017	2016
Total net asset value (\$) (000's)⁽⁴⁾	87,292	79,722	102,559	102,235	112,735	84,398
Number of outstanding units (000's)⁽⁴⁾	7,377	7,758	9,512	10,746	10,860	8,594
Management expense ratio⁽⁵⁾	1.47%	1.47%	1.47%	1.48%	1.48%	1.48%
Management expense ratio before waivers or absorptions⁽⁶⁾	N/A	N/A	N/A	N/A	N/A	N/A
Portfolio turnover rate⁽⁷⁾	22%	33%	25%	23%	25%	15%
Trading expense ratio (%)⁽⁸⁾	0.06%	0.06%	0.05%	0.06%	0.09%	0.07%
Net asset value per unit, end of period	11.83	10.28	10.78	9.51	10.38	9.82

Beutel Goodman Canadian Dividend 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, 2021 and years ended December 31)

\$	June 2021	2020	2019	2018	2017	2016
Net assets, beginning of period	16.05	16.87	14.90	16.30	15.45	13.38
Increase (decrease) from operations						
Total revenue	0.32	0.76	0.58	0.55	0.50	0.54
Total expenses	(0.12)	(0.22)	(0.21)	(0.22)	(0.21)	(0.19)
Realized gains (losses) for the period	1.05	(0.37)	0.61	0.29	0.54	0.20
Unrealized gains (losses) for the period	1.43	(0.78)	1.30	(1.41)	0.76	2.27
Total increase (decrease) from operations⁽¹⁾	2.68	(0.61)	2.28	(0.79)	1.59	2.82
Distributions to unitholders per unit:						
From net investment income (excluding dividends)	–	0.21	0.01	0.01	–	–
From dividends	0.22	0.34	0.37	0.31	0.25	0.29
From capital gains	–	–	–	0.31	0.42	–
From return of capital	–	–	–	–	–	–
Total period distributions⁽²⁾	0.22	0.55	0.38	0.63	0.67	0.29
Net assets, end of period⁽³⁾	18.48	16.05	16.87	14.90	16.30	15.45

Ratios and Supplemental Data

Class F Units

(for the period ended June 30, 2021 and years ended December 31)

	June 2021	2020	2019	2018	2017	2016
Total net asset value (\$) (000's)⁽⁴⁾	104,422	98,952	123,334	98,201	75,602	31,219
Number of outstanding units (000's)⁽⁴⁾	5,649	6,164	7,310	6,590	4,639	2,021
Management expense ratio⁽⁵⁾	1.10%	1.11%	1.11%	1.11%	1.12%	1.11%
Management expense ratio before waivers or absorptions⁽⁶⁾	N/A	N/A	N/A	N/A	N/A	N/A
Portfolio turnover rate⁽⁷⁾	22%	33%	25%	23%	25%	15%
Trading expense ratio (%)⁽⁸⁾	0.06%	0.06%	0.05%	0.06%	0.09%	0.07%
Net asset value per unit, end of period	18.48	16.05	16.87	14.90	16.30	15.45

Financial Highlights per unit

Class I Units

(for the period ended June 30, 2021 and years ended December 31)

\$	June 2021	2020	2019	2018	2017	2016
Net assets, beginning of period	10.96	11.53	10.18	11.13	10.54	9.10
Increase (decrease) from operations						
Total revenue	0.22	0.50	0.40	0.37	0.35	0.38
Total expenses	(0.02)	(0.04)	(0.03)	(0.03)	(0.03)	(0.03)
Realized gains (losses) for the period	0.72	(0.21)	0.39	0.20	0.35	0.16
Unrealized gains (losses) for the period	0.97	(0.16)	0.97	(0.94)	0.43	1.30
Total increase (decrease) from operations⁽¹⁾	1.89	0.09	1.73	(0.40)	1.10	1.81
Distributions to unitholders per unit:						
From net investment income (excluding dividends)	–	0.18	0.01	0.01	–	–
From dividends	0.21	0.31	0.37	0.32	0.27	0.34
From capital gains	–	–	–	0.21	0.29	–
From return of capital	–	–	–	–	–	–
Total period distributions⁽²⁾	0.21	0.49	0.38	0.54	0.56	0.34
Net assets, end of period⁽³⁾	12.62	10.96	11.53	10.18	11.13	10.54

Ratios and Supplemental Data

Class I Units

(for the period ended June 30, 2021 and years ended December 31)

	June 2021	2020	2019	2018	2017	2016
Total net asset value (\$) (000's)⁽⁴⁾	211,168	201,547	208,009	224,549	218,375	81,345
Number of outstanding units (000's)⁽⁴⁾	16,732	18,390	18,041	22,060	19,623	7,720
Management expense ratio⁽⁵⁾	0.07%	0.07%	0.07%	0.07%	0.07%	0.11%
Management expense ratio before waivers or absorptions⁽⁶⁾	0.11%	0.11%	0.11%	0.11%	0.11%	N/A
Portfolio turnover rate⁽⁷⁾	22%	33%	25%	23%	25%	15%
Trading expense ratio (%)⁽⁸⁾	0.06%	0.06%	0.05%	0.06%	0.09%	0.07%
Net asset value per unit, end of period	12.62	10.96	11.53	10.18	11.13	10.54

Beutel Goodman Canadian Dividend 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.**

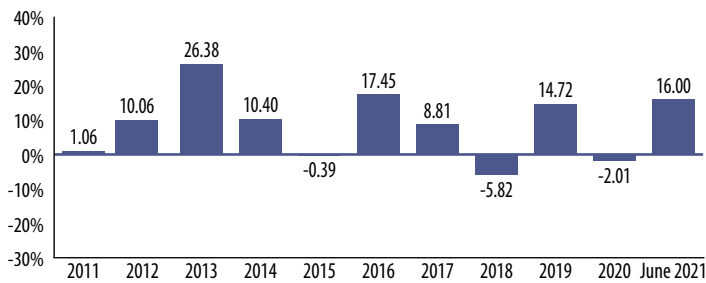
Please remember that the past performance of the Fund is not an accurate prediction of future returns.

Beutel Goodman Canadian Dividend Fund

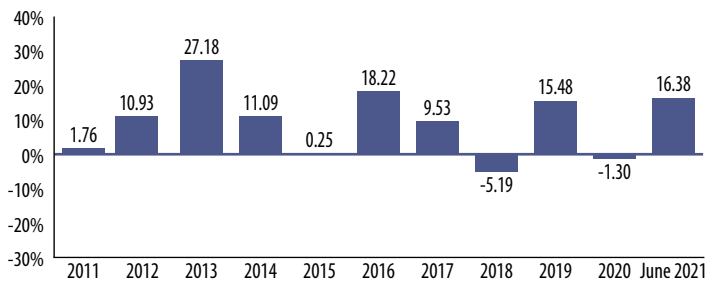
Year-by-Year Returns

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.

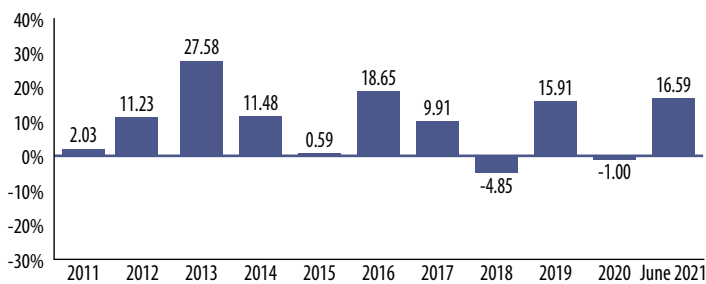
Class B



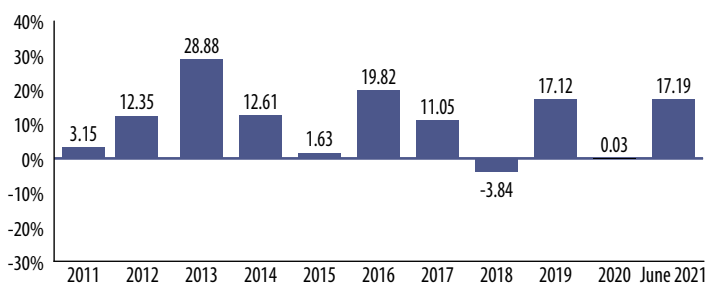
Class D



Class F



Class I



Beutel Goodman Canadian Dividend Fund

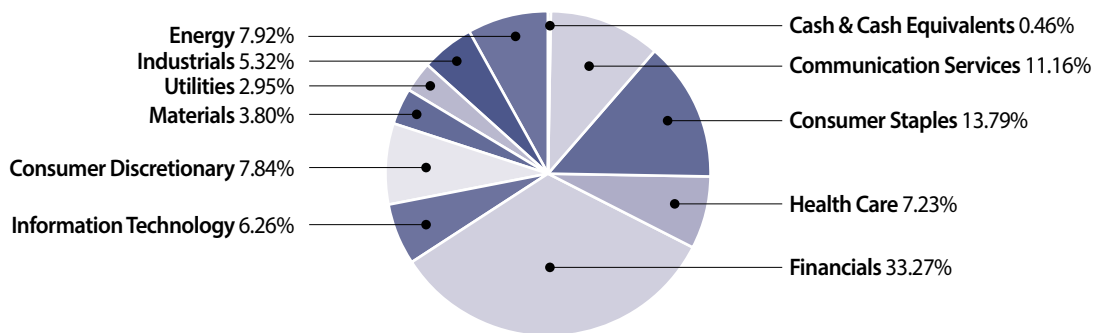
Summary of Investment Portfolio

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. The Toronto-Dominion Bank	9.60	14. Roche Holding AG	2.92
2. Royal Bank of Canada	6.41	15. Kellogg Co.	2.77
3. Sun Life Financial Inc.	5.37	16. Magna International Inc.	2.73
4. TC Energy Corp.	4.90	17. Manulife Financial Corp.	2.69
5. Power Corp of Canada	4.34	18. Verizon Communications Inc.	2.64
6. Rogers Communications Inc., Class B	4.29	19. Carlsberg AS	2.61
7. Canadian National Railway Co.	3.68	20. Nutrien Ltd.	2.44
8. Metro Inc., Class A	3.66	21. Amgen Inc.	2.42
9. Bank of Montreal	3.43	22. Open Text Corp.	2.31
10. Canadian Tire Corp Ltd., Class A	3.20	23. Oracle Corp.	2.10
11. Henkel AG & Co KGaA	3.04	24. Restaurant Brands International Inc.	1.89
12. Suncor Energy Inc.	3.01	25. GlaxoSmithKline PLC	1.88
13. Omnicom Group Inc.	2.92		

Asset Mix





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