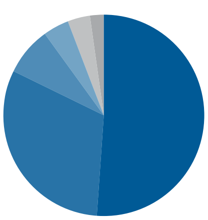
TOP 10 HOLDINGS (%)

LYONDELLBASELL	5.2
ELI LILLY & CO	5.1
ATEA ASA	5.0
AKZO NOBEL NV	4.9
VERIZON COMMUNICATION	4.9
KON KPN NV	4.9
KELLOGG CO	4.8
IMI	4.1
GJENSIDIGE FORSIKR	4.1
KONECRANES OYJ	3.8

SECTOR WEIGHTS VS BENCHMARK

SECTOR WEIGHTS (%)			UNDERWEIGHT/OVERWEIGHT %
Sector	**BG**	**MSCI WORLD C$**	
Telecom	17.2	3.0	14.2
Materials	16.5	4.9	11.6
Industrials	14.6	11.5	3.1
Consumer S.	9.7	9.7	0.0
Financials	14.8	18.0	-3.2
Utilities	0.0	3.2	-3.2
Real Estate	0.0	3.2	-3.2
Energy	2.5	6.0	-3.5
Consumer D.	8.5	12.3	-3.8
Health Care	5.1	12.6	-7.5
Info. Tech.	7.1	15.7	-8.5
Cash	4.1		

REGIONAL WEIGHTS (%)



- Europe ex U.K. (51.1)
- U.S. (31.3)
- U.K. (7.8)
- Cash (4.1)
- Pacific Basin ex Japan (3.6)
- Japan (2.1)
- Emerging Markets (0.0)

PERFORMANCE % (ANNUALIZED) TO JUNE 30, 2017

BG GLOBAL DIVIDEND FUND	CURRENT QTR	1 YEAR	2 YEARS	3 YEARS	4 YEARS	5 YEARS	SINCE INCEPTION*
TOTAL PORTFOLIO	3.16	25.49	12.19	10.70	13.54	15.17	7.65
MSCI WORLD INDEX C$	1.35	17.93	9.35	12.32	15.59	16.90	6.89
MANAGEMENT EFFECT	**1.81**	**7.56**	**2.84**	**-1.62**	**-2.05**	**-1.73**	**0.76**

* Inception Date = December 1, 2007

PERFORMANCE % (ANNUAL) TO JUNE 30TH

BG GLOBAL DIVIDEND FUND	2017	2016	2015	2014	2013
TOTAL PORTFOLIO	25.49	0.31	7.78	22.51	21.94
MSCI WORLD INDEX C$	17.93	1.39	18.51	25.98	22.32
MANAGEMENT EFFECT	**7.56**	**-1.08**	**-10.73**	**-3.47**	**-0.38**

INVESTMENT STRATEGY

The Fund is a global equity portfolio whose primary objective is to provide investors with a high and growing level of dividend income, combined with lower long-term volatility. The companies selected have an attractive return potential relative to downside risk and have the potential to provide a growing stream of dividend income and capital appreciation.

INVESTMENT RESULTS

The Beutel Goodman global dividend portfolio posted a positive return for the second quarter, finishing ahead of the MSCI World C$ Index. Health Care was the best performing sector in the index, followed by strong participation from Industrials, Financials and Information Technology. Energy and Telecommunication Services were the more notable laggards.

During the second quarter, the U.S. Federal Reserve hiked the Federal Funds rate by 25 basis points to a target range of 1-1.25%. The Fed noted that the labour market has continued to strengthen and that economic activity has been rising moderately. While the Federal Reserve is maintaining its existing policy of reinvesting principal payments from its U.S. Treasury and MBS holdings, it currently expects to implement a balance sheet normalization program sometime this year, provided that the economy evolves broadly, as anticipated.

In Europe, the risk of a move to far right, anti-euro sentiment has lessened. The markets were relieved that the populist, euro-skeptic parties did not win enough votes to make a difference in the Dutch and French elections. The snap British election did not deliver a stronger majority for Prime Minister Theresa May and may lead to a softer Brexit. German elections are in the fall and early polls show that Chancellor Angela Merkel is leading. The largest election risk likely lies with Italy where elections could be triggered this year and the anti-euro party has significant support. The European political backdrop has also been strengthened by economic growth and financial institution stability.

The portfolio outperformed in the quarter due to stock selection. Sector allocation detracted slightly, with the positive effect from an underweight in Energy and overweight in Industrials outweighed by negative effects from an overweight in Telecommunications.

In terms of stock selection, the strongest contribution came from Telecommunications. KPN reversed some of the weakness from Q1 as signs of easing competitive pressure emerged in its market. Vodafone also outperformed following important consolidation in Germany, as well as a strong set of operational results.

In Financials, Deutsche Boerse performed well in the quarter post the collapse of the deal to combine with LSE, aided further by more clarity on the company's stand-alone growth plans. Some reports also suggested that the company could itself be susceptible to a takeover from one of its peers. Gjensidige's strong showing in the quarter largely reversed weak first quarter performance and American Express continued prior period strength with very positive returns.

Stock selection in Information Technology added significant value. Oracle outperformed as transformation of their business model to the cloud space continue to progress. Atea climbed higher on another solid quarter of profit growth and cash generation.

Selection in Industrials added value due to Konecranes as the company cited an improving demand picture, as well as making progress on boosting margins from its recent acquisition of MHPS from Terex. Ingersoll-Rand also provided significant alpha.

PORTFOLIO STRATEGY & ACTIVITY

In Q2 2017 the global dividend portfolio initiated two new positions:

Omnicom is a collection of franchises that offer a broad range of brand building services across advertising, customer relationship management (CRM), public relations and specialty communications. This is a well-run company with an exceptional business model in an attractive end-market.

TGS-NOPEC is a long-standing market leader in the seismic market. The company's debt-free balance sheet and high pre-funding requirement translates into very high and stable returns.

The portfolio continued to build its positions in **Akzo Nobel, Gjensidige, LyondellBasell** and **Omnicom** and added to its investments in **Atea, Carlsberg, KPN, Michelin** and **Verizon**.

Additional funds were created from a process driven trim of **Deutsche Boerse** and the sale of our small remaining position in **Vesuvius**. **Caterpillar** and **Johnson & Johnson** were sold from the portfolio after hitting their targets and funds were re-allocated to opportunities with better risk/reward profiles.

OUTLOOK

The strengthening pace of the developed market economic growth in the first half of 2017 is likely to be further driven by both industrial production and fixed asset investments, which have been lacking in previous years. Europe in particular stands out as delivering positive surprises – reflected in the strength of both the equity markets and currencies in the first half of the year – and looks set to continue to grow above its recent historical sub-par trend for the rest of the year. Inflation in Europe has also been steadily picking up, given the strength of private consumption across Eurozone. Given the emerging broad strength in economic activity in the last few quarters, most central banks in developed countries, including Canada, are sounding more hawkish in tone in their outlooks. But despite this, GDP in most major countries remains stubbornly anchored to the lowly 2% level, meaning that with the exception of Canada and the U.S., we are not expecting any of the major international central banks - ECB and BOJ in particular - to tighten monetary policy any time soon.

Disclosure Notes

Investment returns are expressed in Canadian dollars unless otherwise noted, gross of investment management fees and net of operating expenses for Beutel Goodman funds. Returns are time weighted and annualized for periods greater than one year. Client returns may vary due to cash flow timing and client-specific constraints.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in unit values and reinvestment of all dividends or distributions and does not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

The I class units of the Short Term Bond Fund were not offered under a prospectus for the period since performance inception to October 4, 2010 (the prospectus start date). The I class units of the Global Dividend Fund were not offered under a prospectus for the period since performance inception to September 14, 2010 (the prospectus start date). Please see the related product profiles for the inception dates of these funds. The I class units of the Global Equity Fund were not offered under a prospectus for the period since its 1995 performance inception to July 6, 2011 (the prospectus start date). Performance for each of these Funds is combined to include both of these periods. The expenses of these Funds would have been higher during these periods had these Funds been subject to additional regulatory requirements applicable to a fund whose units are offered under a prospectus.

Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.

FTSE TMX Global Debt Capital Markets Inc ("FTDCM"), FTSE International Limited ("FTSE"), the London Stock Exchange Group companies (the "Exchange") or TSX INC. ("TSX" and together with FTDCM, FTSE and the Exchange, the "Licensor Parties"). The Licensor Parties make no warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the relevant Index and/or the figure at which the said Index stands at any particular time on any particular day or otherwise. The Index is compiled and calculated by FTSEDCM and all copyright in the Index values and constituent lists vests in FTDCM. The Licensor Parties shall not be liable (whether in negligence or otherwise) to any person for any error in the Index and the Licensor Parties shall not be under any obligation to advise any person of any error therein. "TMX" is a trade mark of TSX Inc. and is used under licence. "FTSE®" is a trade mark of the FTSE International Limited and is used by FTDCM under licence".

The index information contained in this document has been obtained from sources believed to be reliable, but we do not represent that it is accurate or complete and it should not be relied on as such.

This document does not constitute an offer to buy or sell any securities, products or services and should not be construed as specific investment advice. All opinions and estimates expressed in this document are as of the time of its publication and are subject to change. No use of the Beutel Goodman name or any information contained in this report may be copied or redistributed without the prior written approval of Beutel, Goodman & Company Ltd.