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# BEUTEL GOODMAN MANAGED FUNDS

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Interim Management Report of Fund Performance  
June 30, 2016

BEUTEL GOODMAN Global Equity Fund



# Beutel Goodman ■ Global Equity Fund

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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](http://www.beutelgoodman.com) or SEDAR at [www.sedar.com](http://www.sedar.com).

Security holders may also request the investment fund's prospectus, proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.

BEUTEL GOODMAN Managed Funds

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## Management Discussion of Fund Performance

### Investment Objectives and Strategies

This Fund invests in common shares and other equity securities of established global issuers.

The Fund's advisor selects equity securities 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 by analyzing relative valuation measures such as the issuer's price/earnings, price/cash flow and price/book value relative to its own history, the overall market and to its sustainable earnings growth rate.

The fundamental investment objective of the Fund cannot be changed without the approval of a majority of the investors who own units in the Fund.

### Risk

The risks of investing in this Fund remain as discussed in the Prospectus.

This Fund continues to be suitable for investors seeking long-term capital appreciation in global issuers with a medium tolerance for risk and a long-term investment horizon.

### Results of Operations

The Beutel Goodman Global Equity portfolio posted a negative result for the first half of the year, but outperformed the MSCI World C\$ Index.

The market began the year with a quick sell off in January followed by an Index rebound later in the months following. This tailspin was driven by a collapse in oil prices and another extreme pull back in Chinese equities at the beginning of the year, which exacerbated an already tenuous U.S. market pre-occupied with the timing of the next rate increase by the Federal Reserve. In March however, markets rebounded as oil prices recovered off multi-year lows and central banks around the world re-positioned to support global markets. The main event in the latter part of the period was the U.K. Brexit vote. The ultimate 'Leave' vote in the U.K.'s historic referendum caught the market by surprise and the reaction was swift, violent, and widespread, leading to sharp currency moves, a sell-off in equity markets and the driving of yields on government bonds around the globe to historic lows. Equity markets quickly reversed direction and rallied over the following five days as the prospect of an indefinite extension of supportive monetary conditions allowed markets to recoup their post-Brexit losses by the end of June. With that said, market uncertainty remained high as the period came to an end.

With respect to the Index, Energy was the strongest sector in the period as the benchmark WTI price continued to steadily improve from this year's low of \$33 to just over \$50. While the course of its trajectory was disrupted by the Brexit vote when oil prices came under pressure, the Energy sector managed to hold on to gains, ending the period up 9.25%. Outside of Energy, the best performing Index sectors were the defensive Utilities, Telecom and Consumer staples groups driven by a flight to yield and safety, particularly in the latter part of the period. Also benefitting from this activity was Materials, which outperformed on the back of strong demand for precious

metals. Underperformers included Information Technology, Health Care, Consumer Discretionary and Financials. On a regional basis, the U.S. and Pacific (ex-Japan) outperformed, while the U.K., Japan and Europe ex U.K. all underperformed.

The portfolio outperformed over the period mainly due to strong stock selection, aided by sector weighting effects. The most significant individual contribution came from oil field services company Halliburton as its shares outpaced an improving Energy sector in tandem with the termination of its proposed acquisition of Baker Hughes. The primary drivers as a group came from our Information Technology investments, Atea, Symantec, and Oracle. Solid value added returns were also achieved from Industrials, GEA Group and Ingersoll-Rand, in addition to Consumer Staples holdings FamilyMart, Kellogg, and Henkel AG. FamilyMart, the Japanese convenience store operator, significantly outperformed its peers on speculation of a pending inclusion in the Nikkei 225 Index and the associated fund repositioning. Notable contributions also came from U.S. Telecom, Verizon and Healthcare names Baxter and Baxalta.

On the detracting side, German-based telecom Telefonica Deutschland underperformed as investors worried about the effects of increased competition from its two major German competitors as well as discount operators. Consumer Discretionary holding, Sky, the British home entertainment and communication provider, recorded the weakest performance in the period on the back of disappointing results in its German and Italian operations.

The portfolio's Financial holdings were collectively the worst performers over the six month period with Japanese bank Resona Holdings detracting most significantly. American Express and Ameriprise Financial did fare slightly better in the post-brexit volatility, but still detracted materially in the period.

Sector weighting effects were positive for the six months ending June 30, 2016, with a significant overweight to Telecommunications adding value over the period. Underweights in the Energy and Utilities sectors detracted, but not sufficiently to offset gains in other sectors.

The Global Equity portfolio initiated five new positions in the first six months of the year. Amdocs, the global leader in billing software and outsourced IT billing services to the Telecom/Cable industry; Cadence, a leading designer of EDA (Electronic Design Automation) software used by semiconductor engineers; Compagnie Financière Richemont, the Swiss-based luxury group; Telefonica Deutschland (O2D), German wireless service provider; and Henkel AG & Co., provider of both personal care products (laundry and haircare) and adhesives.

The portfolio added to its investments in American Express, BASF, Bayer, BNP Paribas, Eli Lilly, IMI, Ingersoll-Rand, Julius Baer, KPN, Merck KGaA, Parker Hannifin, Richemont and Sky.

During the quarter we sold our holdings in Aberdeen, Banco Santander, Baxalta, Caterpillar, Johnson & Johnson, Merck, Phillips, TGS Nopec and Vesuvius. We also trimmed our positions in BB&T, JPMorgan Chase, Kellogg and Verizon.

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

## Recent Developments

There have been no changes to the management of the fund over the period.

World equity markets were clearly unprepared for the negative result in the British referendum. As with any surprise, we expect a period of volatility, as investors sort out exposures and adjust positions. Given the complex political issues involved, it is reasonable to expect this issue to drag on for some time. During this period, there is likely to be a continued bid for defensive equities, potentially stretching valuations to unsustainable levels. This is already the situation with many Utility and Consumer Staple stocks, where downside risk is significant.

With respect to our current portfolios, our analysis of present investments indicates that developments out of Britain represent a manageable risk to the longer-term value of the companies affected – even those domiciled in the U.K. Regarding the more general concern of slower global growth, the assumptions we use in valuing our economically-sensitive positions are already quite conservative. And at this point, the higher-quality cyclical stocks we hold in the portfolio have already discounted a challenging pricing environment and uncertain global growth. As a result, they typically offer a more attractive risk/reward profile than many of the so-called safe-haven investments currently leading the market. On the positive side, the confused state of affairs related to Brexit will keep central bankers on the sidelines for some time, prolonging the positive monetary backdrop for equity markets.

## Related Party Transactions

Beutel, Goodman & Company Ltd. is the Portfolio Advisor to this 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, as approved by the Independent Review Committee by standing instructions, and subject to regulatory requirements.

## Fees and Expenses

The following table lists the fees and expenses that you may have to pay if you invest in the Beutel Goodman Managed Funds. You may have to pay some of these fees and expenses directly. The Funds pay the other fees and expenses. This will reduce the value of your investment in a Fund.

**Management Fees:** We are entitled to a management fee from each class of each 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 each Fund below. Management fees for Class I units are negotiated and paid directly by the investor, not by the Fund, and, therefore, are not listed.

Fund	Class	Management Fees (%) <sup>(1)</sup>
Global Equity Fund	B	up to 1.90
Global Equity Fund	D	up to 1.25
Global Equity Fund	F	up to 1.00

(1) Excludes GST/HST where applicable.

We may reduce our management fee for certain large investors who have substantial holdings in units of a Fund. To accomplish this, we reduce the management fee we charge to the Fund and the Fund pays out the difference to these investors as a special distribution. This is called a management

fee distribution. We calculate and accrue the reduction daily and distribute it quarterly. The distribution is reinvested on behalf of such unitholders in additional units of the same class of the Fund. Management fee reductions for a unitholder may be increased at any time, but may only be decreased after at least 60 days prior written notice has been given to such unitholder.

We may waive our management fee in certain circumstances.

The Fund paid the Manager management fees, inclusive of HST, of \$8,796 for the period ending June 30, 2016. The management fee for each class of unit is calculated as a percentage of its net asset value, as of the close of business on each business day. The Fund's management fees were used by the Manager to pay costs for managing the investment portfolio, providing investment analysis and recommendations, making investment decisions, making brokerage arrangements for the purchase and sale of the investment portfolio and providing other services. The Manager also used the management fees to fund commission payments and other dealer compensation (collectively called "distribution-related costs") to registered dealers and brokers and financial consultants, for units of the Fund bought and held by investors, which amounted to 37.05% of total management fees paid by the Fund to the Manager in 2015.

**Operating Expenses:** The Manager pays 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; and filing fees, including those incurred by us. In return, the Fund pays the Manager a fixed administration fee. The administration fee may vary by class of units and by Fund.

Please refer to the Financial Highlights section for the MERs of the classes of units.

## Commissions

Commissions paid to brokers for portfolio transactions were as follows:

Fund Name	June 2016	2015	2014
Global Equity Fund	\$281,629	\$665,761	\$976,865

## 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, and for the past four years ended December 31 and since its inception of July 6 to December 31, 2011. The December 31 information is derived from the Fund's audited annual financial statements and is provided for each class of units.

### Financial Highlights for Class B Units (for the 6 month period ended June 30 and for the years ended December 31)

	June					
\$	2016	2015	2014	2013	2012	2011
<b>Net assets attributable to holders of redeemable units per unit, beginning of period <sup>(1)</sup></b>	11.60	11.29	12.57	10.83	9.48	10.00 (as at July 6)
<b>Increase (decrease) in net assets attributable to holders of redeemable units:</b>						
Total Interest Revenue	—	—	—	—	—	—
Total Dividend Revenue	0.29	0.34	0.36	0.29	0.33	0.32
Total revenue	0.29	0.34	0.36	0.29	0.33	0.32
Total expenses	(0.18)	(0.41)	(0.49)	(0.21)	(0.25)	(0.12)
Realized gains (losses) for the period	0.21	1.10	1.83	2.17	0.35	(0.07)
Unrealized gains (losses) for the period	(0.80)	0.70	(1.35)	2.06	1.20	(0.34)
<b>Total increase (decrease) in net assets attributable to holders of redeemable units <sup>(2)</sup></b>	(0.48)	1.73	0.35	4.31	1.63	(0.21)
<b>Distribution to holders of redeemable units per unit:</b>						
Net interest income (excluding dividend)	—	—	—	—	—	—
Net dividend income	—	—	0.07	0.31	0.06	0.17
Net investment income	—	—	0.07	0.31	0.06	0.17
Realized gains on sale of investments	0.12	1.01	1.78	1.19	—	—
<b>Total distribution to holders of redeemable units <sup>(3)</sup></b>	0.12	1.01	1.85	1.50	0.06	0.17
<b>Net assets attributable to holders of redeemable units, end of period <sup>(4)</sup></b>	10.93	11.60	11.29	12.57	10.83	9.48

### Ratios and Supplemental Data for Class B Units (for the 6 month period ended June 30 and for the years ended December 31)

	June					
	2016	2015	2014	2013	2012	2011
<b>Total net assets attributable to holders of redeemable units (\$) (000's) <sup>(5)</sup></b>	367	403	771	371	6	5
<b>Number of outstanding redeemable units (000's) <sup>(5)</sup></b>	34	35	68	29	1	1
<b>Management expense ratio <sup>(6)</sup></b>	2.19%	2.16%	2.20%	2.32%	2.32%	2.27%
<b>Management expense ratio before absorptions <sup>(6)</sup></b>	N/A	N/A	N/A	N/A	N/A	N/A
<b>Portfolio turnover rate <sup>(7)</sup></b>	20%	37%	55%	56%	45%	39%
<b>Trading expense ratio (%) <sup>(8)</sup></b>	0.14%	0.14%	0.22%	0.20%	0.15%	0.15%
<b>Net assets attributable to holders of redeemable units, end of period <sup>(9)</sup></b>	10.93	11.60	11.29	12.57	10.83	9.49

# Beutel Goodman ■ Global Equity Fund

## Financial Highlights for Class D Units

(for the 6 month period ended June 30 and for the years ended December 31)

	June					
\$	2016	2015	2014	2013	2012	2011
Net assets attributable to holders of redeemable units per unit, beginning of period <sup>(1)</sup>	11.94	11.72	12.95	11.05	9.68	10.00 (as at July 6)
<b>Increase (decrease) in net assets attributable to holders of redeemable units:</b>						
Total Interest Revenue	—	—	—	—	—	—
Total Dividend Revenue	0.31	0.35	0.38	0.31	0.33	0.32
Total revenue	0.31	0.35	0.38	0.31	0.33	0.32
Total expenses	(0.15)	(0.32)	(0.38)	(0.15)	(0.17)	(0.09)
Realized gains (losses) for the period	0.23	1.04	1.79	1.57	0.35	(0.07)
Unrealized gains (losses) for the period	(0.92)	0.20	(1.34)	1.82	1.20	(0.34)
<b>Total increase (decrease) in net assets attributable to holders of redeemable units <sup>(2)</sup></b>	<b>(0.53)</b>	<b>1.27</b>	<b>0.45</b>	<b>3.55</b>	<b>1.71</b>	<b>(0.18)</b>
<b>Distribution to holders of redeemable units per unit:</b>						
Net interest income (excluding dividend)	—	—	—	—	—	—
Net dividend income	—	0.18	0.06	0.29	0.17	—
Net investment income	—	0.18	0.06	0.29	0.17	—
Realized gains on sale of investments	0.13	1.06	1.84	1.22	—	—
<b>Total distribution to holders of redeemable units <sup>(3)</sup></b>	<b>0.13</b>	<b>1.24</b>	<b>1.90</b>	<b>1.51</b>	<b>0.17</b>	<b>—</b>
Net assets attributable to holders of redeemable units, end of period <sup>(4)</sup>	11.29	11.94	11.72	12.95	11.05	9.68

## Ratios and Supplemental Data for Class D Units

(for the 6 month period ended June 30 and for the years ended December 31)

	June					
	2016	2015	2014	2013	2012	2011
Total net assets attributable to holders of redeemable units (\$) (000's) <sup>(5)</sup>	489	527	308	288	11	5
Number of outstanding redeemable units (000's) <sup>(5)</sup>	43	44	26	22	1	1
Management expense ratio <sup>(6)</sup>	1.54%	1.56%	1.57%	1.58%	1.58%	1.56%
Management expense ratio before absorptions <sup>(6)</sup>	N/A	N/A	N/A	N/A	N/A	N/A
Portfolio turnover rate <sup>(7)</sup>	20%	37%	55%	56%	45%	39%
Trading expense ratio (%) <sup>(8)</sup>	0.14%	0.14%	0.22%	0.20%	0.15%	0.15%
Net assets attributable to holders of redeemable units, end of period <sup>(9)</sup>	11.29	11.94	11.72	12.95	11.05	9.69

## Financial Highlights for Class F Units

(for the 6 month period ended June 30 and for the years ended December 31)

	June					
\$	2016	2015	2014	2013	2012	2011
Net assets attributable to holders of redeemable units per unit, beginning of period <sup>(1)</sup>	11.65	11.40	12.66	10.73	9.49	10.00 (as at July 6)
<b>Increase (decrease) in net assets attributable to holders of redeemable units:</b>						
Total Interest Revenue	—	—	—	—	—	—
Total Dividend Revenue	0.30	0.34	0.36	0.30	0.33	0.32
Total revenue	0.30	0.34	0.36	0.30	0.33	0.32
Total expenses	(0.13)	(0.27)	(0.32)	(0.13)	(0.15)	(0.08)
Realized gains (losses) for the period	0.22	1.03	1.81	1.48	0.35	(0.07)
Unrealized gains (losses) for the period	(0.87)	0.31	(1.15)	1.79	1.20	(0.34)
<b>Total increase (decrease) in net assets attributable to holders of redeemable units <sup>(2)</sup></b>	<b>(0.48)</b>	<b>1.41</b>	<b>0.70</b>	<b>3.44</b>	<b>1.73</b>	<b>(0.17)</b>
<b>Distribution to holders of redeemable units per unit:</b>						
Net interest income (excluding dividend)	—	—	—	—	—	—
Net dividend income	—	0.16	0.14	0.23	0.29	0.21
Net investment income	—	0.16	0.14	0.23	0.29	0.21
Realized gains on sale of investments	0.12	1.03	1.81	1.19	—	—
<b>Total distribution to holders of redeemable units <sup>(3)</sup></b>	<b>0.12</b>	<b>1.19</b>	<b>1.95</b>	<b>1.42</b>	<b>0.29</b>	<b>0.21</b>
Net assets attributable to holders of redeemable units, end of period <sup>(4)</sup>	11.04	11.65	11.40	12.66	10.72	9.49

## Ratios and Supplemental Data for Class F Units

(for the 6 month period ended June 30 and for the years ended December 31)

	June					
	2016	2015	2014	2013	2012	2011
Total net assets attributable to holders of redeemable units (\$) (000's) <sup>(5)</sup>	227	259	212	201	120	5
Number of outstanding redeemable units (000's) <sup>(5)</sup>	21	22	19	16	11	1
Management expense ratio <sup>(6)</sup>	1.28%	1.29%	1.30%	1.30%	1.30%	1.30%
Management expense ratio before absorptions <sup>(6)</sup>	N/A	N/A	N/A	N/A	N/A	N/A
Portfolio turnover rate <sup>(7)</sup>	20%	37%	55%	56%	45%	39%
Trading expense ratio (%) <sup>(8)</sup>	0.14%	0.14%	0.22%	0.20%	0.15%	0.15%
Net assets attributable to holders of redeemable units, end of period <sup>(9)</sup>	11.04	11.65	11.40	12.66	10.73	9.50

## Financial Highlights for Class I Units (for the 6 month period ended June 30 and for the years ended December 31)

	June					
\$	2016	2015	2014	2013	2012	2011
<b>Net assets attributable to holders of redeemable units per unit, beginning of period <sup>(1)</sup></b>	13.27	12.99	14.44	12.22	10.67	11.09
<b>Increase (decrease) in net assets attributable to holders of redeemable units:</b>						
Total Interest Revenue	—	—	—	—	—	—
Total Dividend Revenue	0.34	0.39	0.41	0.35	0.33	0.32
Total revenue	0.34	0.39	0.41	0.35	0.33	0.32
Total expenses	(0.06)	(0.08)	(0.11)	(0.04)	(0.03)	(0.03)
Realized gains (losses) for the period	0.26	1.19	2.08	1.60	0.35	(0.07)
Unrealized gains (losses) for the period	(1.05)	0.36	(1.38)	2.00	1.20	(0.34)
<b>Total increase (decrease) in net assets attributable to holders of redeemable units <sup>(2)</sup></b>	(0.51)	1.86	1.00	3.91	1.85	(0.12)
<b>Distribution to holders of redeemable units per unit:</b>						
Net interest income (excluding dividend)	—	—	—	—	—	—
Net dividend income	0.01	0.35	0.35	0.39	0.33	0.28
Net investment income	0.01	0.35	0.35	0.39	0.33	0.28
Realized gains on sale of investments	0.14	1.19	2.09	1.30	—	—
<b>Total distribution to holders of redeemable units <sup>(3)</sup></b>	0.15	1.54	2.44	1.69	0.33	0.28
<b>Net assets attributable to holders of redeemable units, end of period <sup>(4)</sup></b>	12.64	13.27	12.99	14.44	12.21	10.67

## Ratios and Supplemental Data for Class I Units (for the 6 month period ended June 30 and for the years ended December 31)

	June					
	2016	2015	2014	2013	2012	2011
<b>Total net assets attributable to holders of redeemable units (\$) (000's) <sup>(5)</sup></b>	387,658	427,388	439,683	424,880	349,650	301,829
<b>Number of outstanding redeemable units (000's) <sup>(5)</sup></b>	30,678	32,210	33,860	29,409	28,623	28,250
<b>Management expense ratio <sup>(6)</sup></b>	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%
<b>Management expense ratio before absorptions <sup>(6)</sup></b>	N/A	N/A	N/A	N/A	N/A	N/A
<b>Portfolio turnover rate <sup>(7)</sup></b>	20%	37%	55%	56%	45%	39%
<b>Trading expense ratio (%) <sup>(8)</sup></b>	0.14%	0.14%	0.22%	0.20%	0.15%	0.15%
<b>Net assets attributable to holders of redeemable units, end of period <sup>(9)</sup></b>	12.64	13.27	12.99	14.44	12.22	10.68

- (1) The information for June 2016, December 2015, December 2014 and December 2013 is derived from the Fund's financial statements prepared in accordance with IFRS. The information for prior years is derived from the Fund's annual audited financial statements prepared based on Canadian GAAP.
- (2) Net assets attributable to holders of redeemable units per unit and distributions to holders of redeemable units per unit are based on the actual number of redeemable units outstanding for the relevant class at the relevant time. The increase (decrease) in net assets attributable to holders of redeemable units per unit is based on the weighted average number of redeemable units outstanding for the relevant class over the fiscal period.
- (3) Distributions were paid in cash or automatically reinvested in additional redeemable units of the Fund.
- (4) This is not a reconciliation of the beginning and ending net assets per redeemable unit.
- (5) This information is provided as at period end of the period shown.
- (6) 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 net asset value during the period.
- (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 purchases or sales divided by the average value of the portfolio securities of the Fund 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.
- (9) The information for June 2016, December 2015, December 2014 and December 2013 is derived from the Fund's financial statements prepared in accordance with IFRS. Prior to January 1, 2013, for the purpose of processing unitholder transactions, net assets were calculated based on the closing market price, while for financial statement purposes net assets were calculated based on bid/ask price. For the period ending June 30, 2016 and for the years ended December 31, 2015, December 31, 2014 and December 31, 2013, the information provided for processing unitholder transactions is consistent with the information provided for reporting purposes.

## Past Performance

The past performance of each class of units of a Fund, if the class has been in continuous existence and offered to the public for at least 12 months (at the date of this document), is explained under the Year-by-Year Returns and Annual Compound Returns headings found below. In years where the class of a Fund has less than 12 months of performance data, the annual rate of return has been annualized.

The performance returns in all cases:

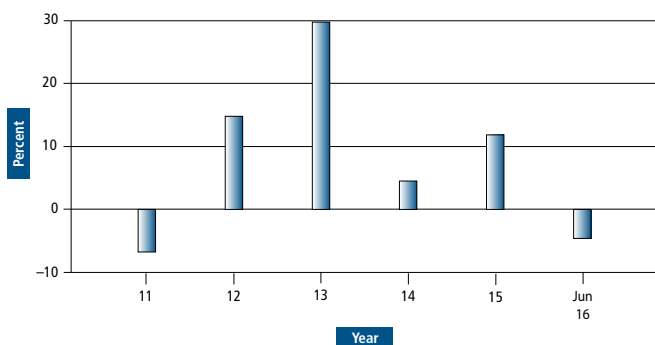
- are calculated as of **December 31** in each year and for the first 6 months of the current year;
- assume **all distributions** made by the Fund are reinvested to purchase additional redeemable units; and
- show the returns of the particular class of the Fund after any applicable management fees and operating expenses have been deducted, **but are not reduced by any redemption charges, optional charges or income taxes payable by you.**

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

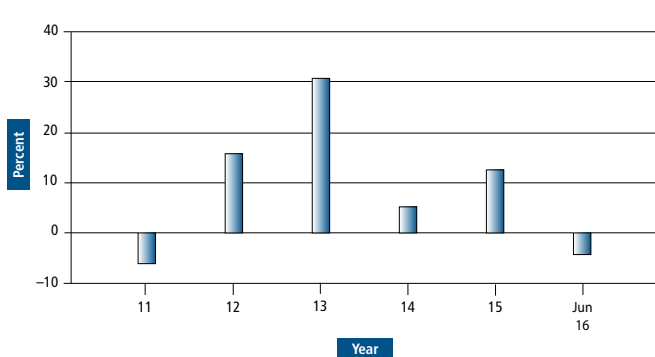


## Year-by-Year Returns

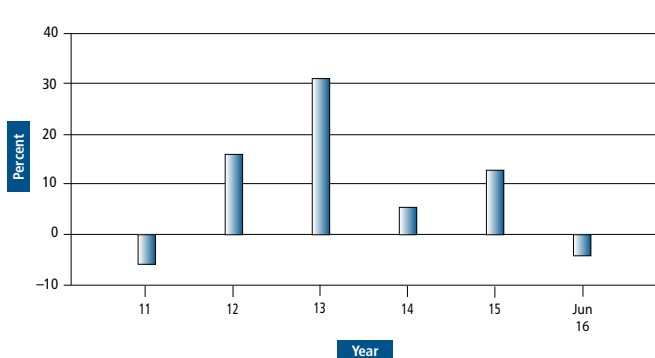
### Class B



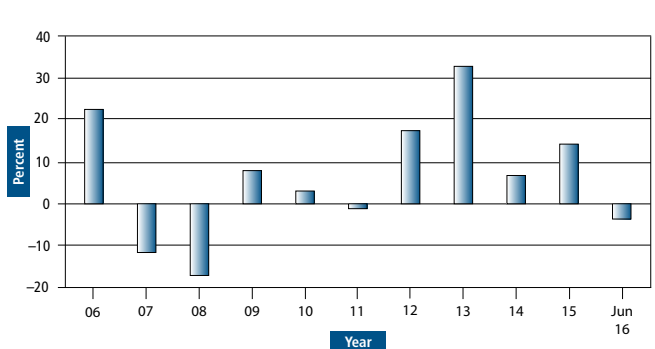
### Class D



### Class F



### Class I



## Annual Compound Returns

The following table shows the historical annual compound total return, as compared to the performance of the MSCI World Index.

Class B	Since Inception	Past 5 Years	Past 3 Years	Past Year
Beutel Goodman Global Equity Fund – Class B	9.77%	10.08%	8.92%	-2.96%
MSCI World Index	13.10%	13.21%	14.82%	1.39%

For Class B units, a return calculated since its inception of July 6, 2011 and ended June 30, 2016, and for the past five, three and one year periods ended June 30, 2016 has been provided.

Class D	Since Inception	Past 5 Years	Past 3 Years	Past Year
Beutel Goodman Global Equity Fund – Class D	10.52%	10.83%	9.62%	-2.35%
MSCI World Index	13.10%	13.21%	14.82%	1.39%

For Class D units, a return calculated since its inception of July 6, 2011 and ended June 30, 2016, and for the past five, three and one year periods ended June 30, 2016 has been provided.

Class F	Since Inception	Past 5 Years	Past 3 Years	Past Year
Beutel Goodman Global Equity Fund – Class F	10.79%	11.10%	9.91%	-2.09%
MSCI World Index	13.10%	13.21%	14.82%	1.39%

For Class F units, a return calculated since its inception of July 6, 2011 and ended June 30, 2016, and for the past five, three and one year periods ended June 30, 2016 has been provided.

Class I	Past 10 Years	Past 5 Years	Past 3 Years	Past Year
Beutel Goodman Global Equity Fund – Class I	5.93%	11.70%	11.22%	-0.93%
MSCI World Index	6.06%	13.21%	14.82%	1.39%

For Class I units, a return calculated for the past ten, five, three and one year periods ended June 30, 2016 has been provided.

The fund was not a reporting issuer for the period since its inception of July 1, 1995 to July 6, 2011. The expenses of the fund would have been higher during such period had the fund been subject to the additional regulatory requirements applicable to a reporting issuer. The financial statements of the fund for such period are available to Class I investors upon request.

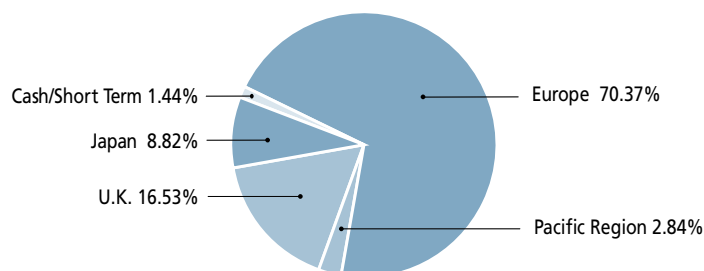
## Summary of Investment Portfolio

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](http://www.beutelgoodman.com).

### Summary of Top 25 Holdings

Issuer Name	% of Net Assets	Issuer Name	% of Net Assets
1. Merck KGaA	3.63	14. Parker-Hannifin Corp.	2.89
2. Oracle Corp.	3.51	15. Atea ASA	2.69
3. Eli Lilly & Co.	3.44	16. Bayer AG	2.64
4. Koninklijke KPN NV	3.38	17. Julius Baer Group Ltd.	2.62
5. GEA Group AG	3.26	18. JPMorgan Chase & Co.	2.52
6. Symantec Corp.	3.09	19. BASF SE	2.45
7. Vodafone Group PLC	3.05	20. Sky PLC	2.44
8. Halliburton Co.	3.00	21. Teradyne Inc.	2.43
9. Henkel AG & Co KGaA	2.97	22. FamilyMart Co., Ltd.	2.42
10. American Express Co.	2.95	23. Ingersoll-Rand PLC	2.40
11. Kellogg Co.	2.92	24. Unilever NV	2.33
12. Verizon Communications Inc.	2.92	25. Spectris PLC	2.33
13. IMI PLC	2.89		

## Regional Mix



## *Other Material Information*

**Classes of Units:** Each of the Funds in the Beutel Goodman family of Funds issues Class B, Class D (formerly Class A), Class F and Class I units, with the exception of the Beutel Goodman Fundamental Canadian Equity Fund, Beutel Goodman Global Dividend Fund and Beutel Goodman Short Term Bond Fund, which issue only Class B, Class F and Class I units. Expenses of each class are tracked separately and a separate net asset is calculated for each class.

The Beutel Goodman Global Equity Fund is available in 4 classes of units: Class B, Class D (formerly Class A), Class F and Class I.

Each Fund may issue an unlimited number of classes of units and may issue an unlimited number of units of each class. The different classes of units of a Fund represent an interest in the same portfolio investments of the Fund.

**Class B Units:** for retail investors investing a minimum of \$5,000 in a Fund through authorized third-party dealers;

**Class D\* Units:** for retail investors investing a minimum of \$5,000 in a Fund;

**Class F Units:** for investors investing a minimum of \$5,000 in a Fund, who are enrolled in a dealer-sponsored fee-for-service or wrap program (where various mutual funds are bundled together) who are subject to a periodic asset-based fee, rather than commissions on each transaction and whose dealer has signed a Class F agreement, or any other investors for whom we do not incur distribution costs, such as our employees (or affiliated corporations);

**Class I Units:** for investors who have invested a minimum of \$500,000 in a Fund and who have entered into an investment management agreement with us. At our discretion, we may waive the investment minimum.

\*Class A units distributed under prior simplified prospectuses have been renamed "Class D" units as of August 13, 2010.

## *Additional Information*

### ***Independent Review Committee***

Beutel Goodman Managed Funds Inc., the former Manager of the Beutel Goodman Managed Funds, appointed an Independent Review Committee ("IRC") on May 1, 2007, for each of its public mutual Funds in accordance with the Canadian Securities Administrators' National Instrument 81-107. This Instrument has been designed to promote investor protection in mutual funds. Effective January 1, 2013, as the result of the amalgamation between Beutel Goodman Managed Funds Inc. and Beutel, Goodman & Company Ltd., Beutel, Goodman & Company Ltd. is the Manager of the Beutel Goodman Managed Funds. The IRC actively assumed its role and responsibilities on November 1, 2007. The IRC oversees conflict of interest matters that may arise out of the management of each of the Funds by providing its recommendations or approvals, as required, to the Manager on how these conflicts may be fairly resolved. The IRC for each of the Beutel Goodman Managed Funds consists of three industry professionals, none of whom have an interest in the Funds or Beutel, Goodman & Company Ltd. outside of their roles as members of the IRC. The IRC 2015 Report to Unitholders is available on the Beutel Goodman Managed Funds' website at [www.beutelgoodman.com](http://www.beutelgoodman.com) or at the unitholder's request, at no cost, by contacting Beutel, Goodman & Co. Ltd. at [mutualfunds@beutelgoodman.com](mailto:mutualfunds@beutelgoodman.com).

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