

# Annual Management Report of Fund Performance

December 31, 2023

**Beutel Goodman Global Equity Fund**

# Beutel Goodman Global Equity Fund

This Annual Management Report of Fund Performance contains financial highlights but does not contain the complete annual or interim financial statements of the investment fund. You can get a copy of the annual or interim financial statements at your request at no cost (contact details on this page) or by visiting our website at [www.beutelgoodman.com](http://www.beutelgoodman.com) or SEDAR at [www.sedar.com](http://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 Global Equity Fund

## Management Discussion of Fund Performance

### Investment Objectives and Strategies

This Fund seeks long term capital appreciation primarily through investments in common shares and other equity securities of global issuers.

To achieve its objectives, the Fund seek companies whose management have consistently demonstrated a commitment to create shareholder value without undue financial leverage, creating shareholder value through the sustainable generation of free cash flow. A value approach is applied, seeking to invest in 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 year. The risks of investing in this Fund and the suitability of the Fund for investors remain as discussed in the Prospectus.

### Results of Operations

Over the 12-month period ended December 31, 2023, Beutel Goodman Global Equity Fund (the "Fund"), Class B returned 6.93% versus 20.47% for the Fund's benchmark, the MSCI World Index (C\$). Unlike the benchmark, the Fund's return is net of fees and expenses paid by the Fund. Please refer to the "Annual Compound Returns" in the Past Performance section for the returns of all classes of the Fund. Detailed performance is provided under the heading "Past Performance" in this report.

Inflation and the response of central banks were the primary drivers of market performance in 2023. Toward the end of the year, with inflation trending downwards, the U.S. Federal Reserve indicated that it was considering rate cuts in the near future, which led to a strong rally in stocks and bonds. The period was also notable for the banking crisis in March and April of 2023 with the collapse of Silicon Valley Bank, Signature Bank and First Republic in the U.S, as well as Swiss banking giant Credit Suisse. This saw heightened volatility in markets as the stability of the global banking system was called into question. Amid this upheaval, regulators in the U.S. and Europe were quick to respond with measures designed to protect the banking system in their respective jurisdictions, containing the crisis.

### Key Contributors to Performance

- The top-performing sectors during the period relative to the benchmark were Energy, Industrials and Financials.
  - A combination of both stock selection and an underweight position in the Energy sector, an area of relative weakness in the benchmark, contributed to the Fund's relative performance.
  - Stock selection in Industrials and Financials contributed to the Fund's relative performance.
- Over the period, the largest individual contributors to Fund performance included Tempur Sealy International Inc., Konecranes Oyj, dormakaba Holding AG, Carlyle Group Inc. and American Express Company.

### Key Detractors from Performance

- From a sector perspective, the Fund's holdings in the Information Technology, Consumer Staples and Consumer Discretionary sectors were the largest detractors from the Fund's relative performance over the period.
  - A combination of both stock selection and an underweight position in the Information Technology sector, an area of relative strength in the benchmark, detracted from the Fund's relative performance.
  - 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.
  - Stock selection in Consumer Discretionary detracted from the Fund's relative performance.
- Over the period, the largest individual detractors from Fund performance included Kellanova, Campbell Soup Company, Harley-Davidson Inc., MillerKnoll Inc. and Hakuhodo DY Holdings Inc.

### 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 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 Financials, Industrials, Consumer Discretionary, Information Technology and Energy sector weightings increased over the period because of relative performance and the team's buy/sell activities.
  - The Fund's Consumer Staples, Health Care and Communication Services sector weightings decreased over the period because of relative performance and the team's buy/sell activities.
  - Gjensidige Forsikring ASA was a new addition to the Fund.
  - The Fund's position in MillerKnoll Inc. was liquidated. Some of the more significant trims in existing holdings included Koninklijke KPN NV, Smith & Nephew plc, Omnicom Group Inc. and Atea ASA.
  - Kellogg Company (parent) spun out its cereal business into a separate entity, WK Kellogg, listed under the ticker KLG. The parent was renamed Kellanova, listed under the ticker K.
- At period-end, there were 41 holdings in the Fund, up from 40 at the beginning of the period.
- The Fund's level of cash and cash equivalents increased from the beginning of the period.

# Beutel Goodman Global Equity Fund

### Recent Developments

During the review period, Independent Review Committee (IRC) member Gary Brent retired and was replaced by John Smeeton.

Value stocks lagged their Growth counterparts for much of 2023, which has been the case for most of the last 15 years. The combination of extreme divergence of a handful of stocks compared to the broader markets and some contradictory macroeconomic signals continue to cause market volatility.

Global Value stocks (represented by the MSCI World Value Index) continue to trade at significant discounts to both their Growth counterparts (represented by the MSCI World Growth Index) and the broad market index (MSCI World Index). Notwithstanding the fact that this spread could widen further, such disparity in valuations leaves growth stocks vulnerable should a market correction occur, as happened in late 2022 when many high-multiple stocks saw large price decline.

### Related Party Transactions

Beutel, Goodman & Company Ltd. ("BG") is the Manager, Trustee and Portfolio Advisor to this Fund. The Fund pays a management fee to BG as compensation for its services. The Fund pays a fixed administration fee to BG, which in turn pays certain operating expenses of the Fund. BG as trustee of the Fund earns a fee which is paid by the Manager from the fixed administration fee paid by the Fund.

The Fund did not rely on any recommendation or approval of its Independent Review Committee to proceed with any transaction involving related parties because it did not conduct any related party transactions, except for certain inter-fund trades and the management and administrative fees as described above, as approved by the Independent Review Committee by standing instructions, and subject to regulatory requirements.

**Management Fees:** As Manager, BG is paid a management fee from each class of the Fund based on the average daily net asset value of the particular class. The fee is payable monthly, in arrears, and is calculated at the annualized rate specified for each class of the Fund as set out in the table below. Management fees for Class I units are negotiated and paid directly by the investor, not by the Fund, and, therefore, are not listed.

	Maximum Annual Management Fee Rate %	As a Percentage of Management Fees	
		Dealer Compensation %	General Administration, Investment Advice and Profit %
Class B	1.90	53	47
Class D	1.25	20	80
Class F	1.00	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 Global 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 past 5 years ended December 31. This information is derived from the Fund's audited annual financial statements and is provided for each class of units.

### Financial Highlights per unit

#### Class B Units

(for the years ended December 31)

\$	2023	2022	2021	2020	2019
<b>Net assets, beginning of year</b>	9.77	10.56	10.40	10.78	9.57
<b>Increase (decrease) from operations</b>					
Total revenue	0.32	0.26	0.27	0.48	0.30
Total expenses	(0.27)	(0.26)	(0.31)	(0.31)	(0.29)
Realized gains (losses) for the year	(0.07)	(0.03)	1.35	0.73	0.63
Unrealized gains (losses) for the year	0.69	(0.72)	(0.10)	(0.20)	1.03
<b>Total increase (decrease) from operations <sup>(1)</sup></b>	0.67	(0.75)	1.21	0.70	1.67
<b>Distributions to unitholders per unit:</b>					
From net investment income (excluding dividends)	—	—	—	—	—
From dividends	0.06	0.03	0.01	0.20	0.06
From capital gains	—	—	1.13	0.85	—
From return of capital	—	—	—	—	0.40
<b>Total annual distributions <sup>(2)</sup></b>	0.06	0.03	1.14	1.05	0.46
<b>Net assets, end of year <sup>(3)</sup></b>	10.39	9.77	10.56	10.40	10.78

### Ratios and Supplemental Data

#### Class B Units

(for the years ended December 31)

	2023	2022	2021	2020	2019
<b>Total net asset value (\$) (000's) <sup>(4)</sup></b>	1,781	1,787	1,592	1,058	1,021
<b>Number of outstanding units (000's) <sup>(4)</sup></b>	171	183	151	102	95
<b>Management expense ratio <sup>(5)</sup></b>	2.21%	2.23%	2.24%	2.26%	2.27%
<b>Management expense ratio before waivers or absorptions <sup>(6)</sup></b>	N/A	N/A	N/A	N/A	N/A
<b>Portfolio turnover rate <sup>(7)</sup></b>	1%	23%	60%	43%	17%
<b>Trading expense ratio (%) <sup>(8)</sup></b>	0.01%	0.07%	0.14%	0.13%	0.08%
<b>Net asset value per unit, end of year</b>	10.39	9.77	10.56	10.40	10.78

### Financial Highlights per unit

#### Class D Units

(for the years ended December 31)

\$	2023	2022	2021	2020	2019
<b>Net assets, beginning of year</b>	10.28	10.99	10.80	11.15	9.88
<b>Increase (decrease) from operations</b>					
Total revenue	0.33	0.23	0.30	0.49	0.32
Total expenses	(0.20)	(0.11)	(0.19)	(0.22)	(0.19)
Realized gains (losses) for the year	(0.06)	(0.12)	1.36	0.75	0.63
Unrealized gains (losses) for the year	0.93	(2.45)	0.03	(0.12)	1.11
<b>Total increase (decrease) from operations <sup>(1)</sup></b>	1.00	(2.45)	1.50	0.90	1.87
<b>Distributions to unitholders per unit:</b>					
From net investment income (excluding dividends)	—	—	—	—	—
From dividends	0.18	—	0.06	0.25	0.12
From capital gains	—	—	1.18	0.88	—
From return of capital	—	—	—	—	0.41
<b>Total annual distributions <sup>(2)</sup></b>	0.18	—	1.24	1.13	0.53
<b>Net assets, end of year <sup>(3)</sup></b>	10.88	10.28	10.99	10.80	11.15

### Ratios and Supplemental Data

#### Class D Units

(for the years ended December 31)

	2023	2022	2021	2020	2019
<b>Total net asset value (\$) (000's) <sup>(4)</sup></b>	168	110	1,688	1,566	1,389
<b>Number of outstanding units (000's) <sup>(4)</sup></b>	15	11	154	145	124
<b>Management expense ratio <sup>(5)</sup></b>	1.57%	1.48%	1.52%	1.57%	1.57%
<b>Management expense ratio before waivers or absorptions <sup>(6)</sup></b>	N/A	N/A	N/A	N/A	N/A
<b>Portfolio turnover rate <sup>(7)</sup></b>	1%	23%	60%	43%	17%
<b>Trading expense ratio (%) <sup>(8)</sup></b>	0.01%	0.07%	0.14%	0.13%	0.08%
<b>Net asset value per unit, end of year</b>	10.88	10.28	10.99	10.80	11.15

# Beutel Goodman Global 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 past 5 years ended December 31. This information is derived from the Fund's audited annual financial statements and is provided for each class of units.

### Financial Highlights per unit

#### Class F Units

(for the years ended December 31)

\$	2023	2022	2021	2020	2019
<b>Net assets, beginning of year</b>	9.89	10.69	10.54	10.91	9.62
<b>Increase (decrease) from operations</b>					
Total revenue	0.32	0.28	0.28	0.49	0.34
Total expenses	(0.14)	(0.16)	(0.21)	(0.22)	(0.19)
Realized gains (losses) for the year	(0.07)	(0.02)	1.40	0.70	0.47
Unrealized gains (losses) for the year	0.53	(0.55)	(0.41)	(0.23)	1.16
<b>Total increase (decrease) from operations <sup>(1)</sup></b>	0.64	(0.45)	1.06	0.74	1.78
<b>Distributions to unitholders per unit:</b>					
From net investment income (excluding dividends)	—	—	—	—	—
From dividends	0.13	0.14	0.12	0.30	0.10
From capital gains	—	—	1.16	0.86	—
From return of capital	—	—	—	—	0.40
<b>Total annual distributions <sup>(2)</sup></b>	0.13	0.14	1.28	1.16	0.50
<b>Net assets, end of year <sup>(3)</sup></b>	10.54	9.89	10.69	10.54	10.91

### Ratios and Supplemental Data

#### Class F Units

(for the years ended December 31)

	2023	2022	2021	2020	2019
<b>Total net asset value (\$) (000's) <sup>(4)</sup></b>	3,776	4,555	1,869	534	569
<b>Number of outstanding units (000's) <sup>(4)</sup></b>	358	461	175	51	52
<b>Management expense ratio <sup>(5)</sup></b>	1.26%	1.28%	1.27%	1.28%	1.27%
<b>Management expense ratio before waivers or absorptions <sup>(6)</sup></b>	N/A	N/A	N/A	N/A	N/A
<b>Portfolio turnover rate <sup>(7)</sup></b>	1%	23%	60%	43%	17%
<b>Trading expense ratio (%) <sup>(8)</sup></b>	0.01%	0.07%	0.14%	0.13%	0.08%
<b>Net asset value per unit, end of year</b>	10.54	9.89	10.69	10.54	10.91

### Financial Highlights per unit

#### Class I Units

(for the years ended December 31)

\$	2023	2022	2021	2020	2019
<b>Net assets, beginning of year</b>	11.29	12.19	11.97	12.40	10.99
<b>Increase (decrease) from operations</b>					
Total revenue	0.37	0.31	0.33	0.57	0.37
Total expenses	(0.07)	(0.06)	(0.08)	(0.11)	(0.08)
Realized gains (losses) for the year	(0.08)	(0.03)	1.57	0.78	0.71
Unrealized gains (losses) for the year	0.81	(0.85)	(0.19)	(0.38)	1.25
<b>Total increase (decrease) from operations <sup>(1)</sup></b>	1.03	(0.63)	1.63	0.86	2.25
<b>Distributions to unitholders per unit:</b>					
From net investment income (excluding dividends)	—	—	—	—	—
From dividends	0.32	0.27	0.22	0.48	0.32
From capital gains	—	—	1.33	0.98	—
From return of capital	—	—	—	—	0.46
<b>Total annual distributions <sup>(2)</sup></b>	0.32	0.27	1.55	1.46	0.78
<b>Net assets, end of year <sup>(3)</sup></b>	12.00	11.29	12.19	11.97	12.40

### Ratios and Supplemental Data

#### Class I Units

(for the years ended December 31)

	2023	2022	2021	2020	2019
<b>Total net asset value (\$) (000's) <sup>(4)</sup></b>	194,120	187,219	188,954	186,274	215,326
<b>Number of outstanding units (000's) <sup>(4)</sup></b>	16,176	16,581	15,500	15,560	17,362
<b>Management expense ratio <sup>(5)</sup></b>	0.11%	0.11%	0.11%	0.11%	0.11%
<b>Management expense ratio before waivers or absorptions <sup>(6)</sup></b>	N/A	N/A	N/A	N/A	N/A
<b>Portfolio turnover rate <sup>(7)</sup></b>	1%	23%	60%	43%	17%
<b>Trading expense ratio (%) <sup>(8)</sup></b>	0.01%	0.07%	0.14%	0.13%	0.08%
<b>Net asset value per unit, end of year</b>	12.00	11.29	12.19	11.97	12.40

# Beutel Goodman Global 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 year.
- (2) Distributions were paid in cash or automatically reinvested in additional units of the Fund.
- (3) This is not a reconciliation of the beginning and ending net assets per unit.
- (4) This information is provided as at year end of the year shown.
- (5) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated year and is expressed as an annualized percentage of daily average net asset value during the year.
- (6) The Manager may have waived or absorbed some of the fund expenses. If this had occurred, the management fee ratio before any such waiver or absorption is listed. The Manager may terminate the waiver or absorption at any time, at its discretion. It is not known when such waivers or absorptions will be terminated.
- (7) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the fiscal year. The higher a Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a higher turnover rate and the performance of a Fund. Portfolio turnover rate equals the lesser of the costs of purchases and proceeds of sales of portfolio securities for the year divided by the average value of the portfolio securities of the Fund calculated on a monthly basis, excluding short-term securities.
- (8) The trading expense ratio represents total commissions and other portfolio transaction costs disclosed in the Statements of Comprehensive Income expressed as an annualized percentage of daily average net asset value of the Fund during the year.

## Past Performance

The performance returns below:

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

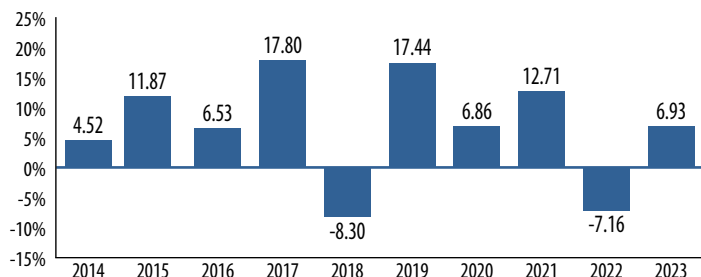
**Please remember that the past performance of the Fund is not an accurate prediction of future returns.**

# Beutel Goodman Global Equity Fund

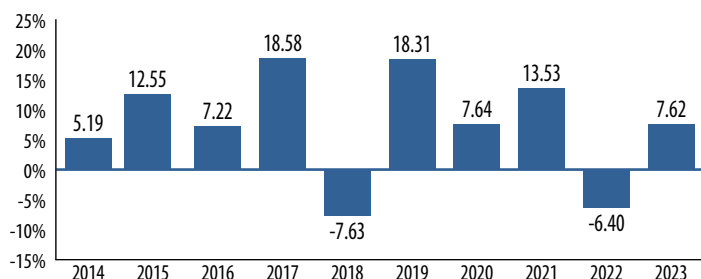
## Year-by-Year Returns

The bar chart indicates the Fund's annual performance for each of the year's shown and illustrates how the Fund's performance has changed from year to year. The bar chart shows in percentage terms how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.

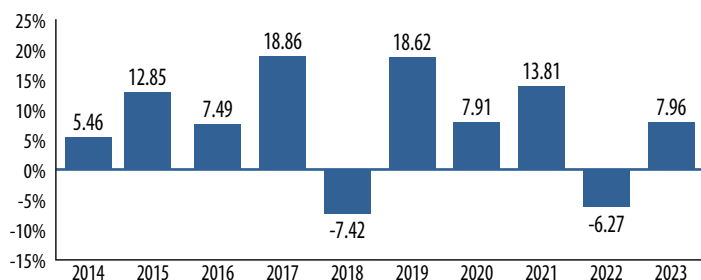
### Class B



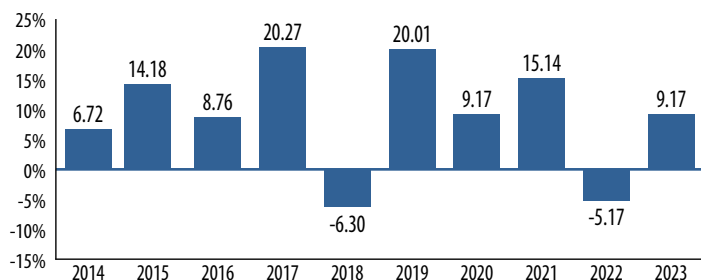
### Class D



### Class F



### Class I



## Annual Compound Returns

The following table shows the Fund's historical annual compound total returns for each of the periods indicated ended on December 31, 2023, as compared to the performance of the MSCI World (C\$) Index.\*

### Class B

	10 Years (%)	5 Years (%)	3 Years (%)	Past Year (%)
Beutel Goodman Global Equity Fund	6.57	7.03	3.82	6.93
MSCI World Index (C\$)	10.96	12.01	8.51	20.47

Class B units have been available for sale to unitholders since July 6, 2011.

### Class D

	10 Years (%)	5 Years (%)	3 Years (%)	Past Year (%)
Beutel Goodman Global Equity Fund	7.31	7.81	4.57	7.62
MSCI World Index (C\$)	10.96	12.01	8.51	20.47

Class D units have been available for sale to unitholders since July 6, 2011.

### Class F

	10 Years (%)	5 Years (%)	3 Years (%)	Past Year (%)
Beutel Goodman Global Equity Fund	7.57	8.07	4.82	7.96
MSCI World Index (C\$)	10.96	12.01	8.51	20.47

Class F units have been available for sale to unitholders since July 6, 2011.

### Class I

	10 Years (%)	5 Years (%)	3 Years (%)	Past Year (%)
Beutel Goodman Global Equity Fund	8.84	9.32	6.03	9.17
MSCI World Index (C\$)	10.96	12.01	8.51	20.47

\* The MSCI World Index (C\$) is designed to represent the global equity market.

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



# Beutel Goodman Global Equity Fund

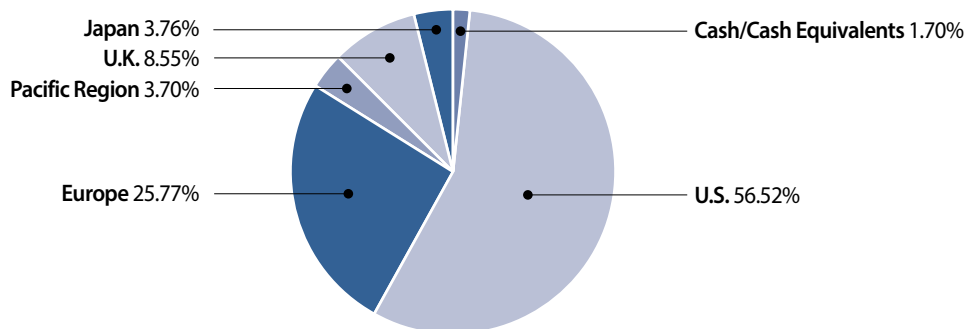
## Summary of Investment Portfolio

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

### Summary of Top 25 Holdings

Issuer Name	% of Net Assets	Issuer Name	% of Net Assets
1. Amgen Inc.	4.14	14. Shionogi & Co., Ltd.	2.77
2. Smiths Group PLC	3.66	15. Compagnie Générale des Établissements Michelin	2.68
3. Amdocs Ltd.	3.65	16. Roche Holding AG	2.67
4. American Express Co.	3.49	17. QUALCOMM Inc.	2.53
5. Tempur Sealy International Inc.	3.35	18. Smith & Nephew PLC	2.53
6. The Carlyle Group Inc.	3.23	19. Omnicom Group Inc.	2.52
7. Biogen Inc.	3.08	20. Ameriprise Financial Inc.	2.43
8. BlackRock Inc.	3.06	21. eBay Inc.	2.43
9. dormakaba Holding AG	2.94	22. GSK PLC	2.36
10. NortonLifeLock Inc.	2.92	23. Essity AB	2.28
11. Koninklijke KPN NV	2.91	24. Masco Corp.	2.27
12. Konecranes OYJ	2.89	25. Carlsberg AS	2.25
13. Polaris Inc.	2.82		

### Regional Mix





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