

IT'S QUALITY...BUT NOT AS YOU KNOW IT...

Tom Hancock | September 14, 2023

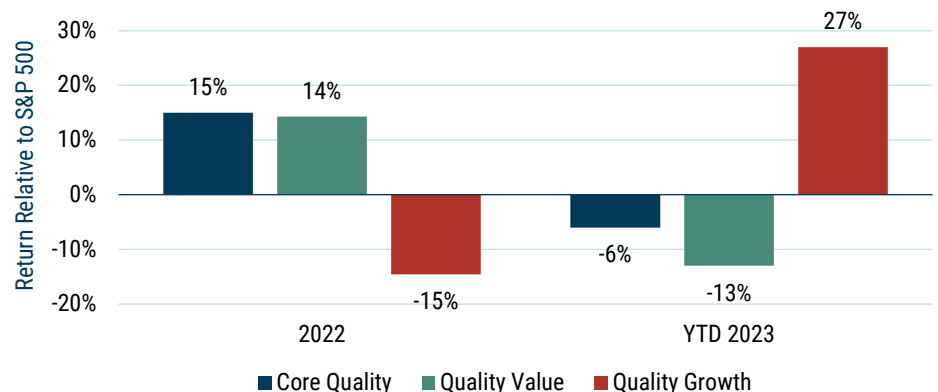
OVERVIEW

In this webcast, Tom Hancock, Head of Focused Equity, discussed how the GMO Quality Strategy has delivered strong returns to investors with less risk and introduced our recently launched U.S. Quality Strategy.

KEY POINTS

- Downside protection in an uncertain world is an important characteristic to have in your portfolio – our survey of registrants found only 17% feel confident about the ability of equity markets to provide positive returns over the next 12 months, with over 30% of allocators looking to increase their exposure to Quality in 2023.
- GMO offers a differentiated approach to Quality investing:
 - Value within Quality can enhance return and provide downside protection.
 - Style diversification within Quality has benefited our clients, especially in 2022 and 2023 YTD, as can be seen in the chart below.
- This has resulted in top percentile performance over 3-, 5-, and 10-year periods in the eVestment universe.¹
- With almost 20 years of experience managing the flagship Quality strategy, we have applied this successful approach to launch various offerings within the Quality range, the most recent example being US Quality.

RELATIVE PERFORMANCE OF BUCKETS WITHIN GMO QUALITY



1

As of 30th June 2023, using the eVestment global large cap core universe.



Tom Hancock

Dr. Hancock is the head of the Focused Equity team, a portfolio manager for GMO's Quality Strategies and a partner of the firm. Previously at GMO, he

was co-head of the Global Equity team. Prior to joining GMO in 1995, he was a research scientist at Siemens and a software engineer at IBM. Dr. Hancock holds BS and MS degrees from Rensselaer Polytechnic Institute and a PhD in Computer Science from Harvard University.

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- [GMO Quality Strategy](#)
- [GMO U.S. Quality Strategy](#)

RELATED RESEARCH

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- [The Quality Spectrum: Stability in an Unstable World](#)

<i>Annualized Returns as of 6/30/2023 (Net, USD)</i>	<i>Inception</i>	<i>1-Year</i>	<i>3-Year</i>	<i>5-Year</i>	<i>10-Year</i>	<i>ITD</i>
GMO Quality Strategy	2/29/2004	23.99	16.14	14.23	13.66	9.70
S&P 500 Index		19.59	14.61	12.31	12.86	9.43
MSCI All Country World Index		18.51	12.18	9.07	9.51	7.48

Performance data quoted represents past performance and is not predictive of future performance. Net returns are presented after the deduction of a model advisory fee and incentive fee if applicable. These returns include transaction costs, commissions and withholding taxes on foreign income and capital gains and include the reinvestment of dividends and other income, as applicable. Fees paid by accounts within the composite may be higher or lower than the model fees used. A Global Investment Performance Standards (GIPS®) Composite Report is available on GMO.com by clicking the GIPS® Composite Report link in the documents section of the strategy page. GIPS® is a registered trademark owned by CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. Actual fees are disclosed in Part 2 of GMO's Form ADV and are also available in each strategy's Composite Report. The portfolio is not managed relative to a benchmark. References to an index are for informational purposes only.