

QUARTERLY INVESTMENT REVIEW

Emerging Markets Strategy

Performance returns (USD)

ANNUALIZED RETURNS (QUARTER-END)	Quarter-End	YTD	1-Year	3-Year	5-Year	10-Year	Since Inception
Emerging Markets Strategy (net)	1.85	1.85	17.21	-6.58	0.21	1.88	5.76
Emerging Markets Strategy (gross)	2.06	2.06	18.21	-5.77	1.08	2.80	6.88
MSCI Emerging Markets +	2.09	2.09	7.86	-5.14	2.16	3.41	5.12
Value Add vs. MSCI Emerging Markets +	-0.24	-0.24	+9.35	-1.44	-1.96	-1.53	+0.64
MSCI Emerging Markets	2.09	2.09	7.86	-5.14	2.16	2.92	4.57
Value Add vs. MSCI Emerging Markets	-0.24	-0.24	+9.35	-1.44	-1.96	-1.04	+1.19

Major Performance Drivers

Global markets carried the positive performance seen at the end 2023 into 2024, despite heightened geopolitical tensions in the Middle East, rising oil prices, and sticky inflation. Developed Markets posted the strongest returns, followed by Emerging Markets. Again, China was a notable exception to the global positivity with a mix of financial and policy challenges continuing to weigh on sentiment for the country and its potential to contribute to global growth.

The portfolio trailed the MSCI Emerging Markets index in a quarter where value modestly underperformed growth outside of China. Overweight positioning toward South Africa, including Materials and Financials, had the largest negative impact on performance. Other detractors included an underweight toward Saudi Arabia, an underweight toward India Consumer Discretionary, and overweight positioning toward China Consumer Staples.

Stock selection in other areas of China was more successful, including underweight positioning toward Consumer Discretionary and overweight positioning toward Financials. Other positive contributors included overweight positioning toward Taiwan and India Energy.

Composite Inception Date: 31-Dec-93

Performance for the year of inception is less than a full calendar year. Returns shown for periods less than one year are not annualized.

Risks: Risks associated with an investment in the Strategy may include Market Risk - Equities, Non-U.S. Investment Risk, Currency Risk, Management and Operational Risk, and Illiquidity Risk. Returns shown for periods greater than one year are on an annualized basis. To obtain performance information to the most recent month-end, visit www.gmo.com.

Performance Returns: 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. **GMO LLC claims compliance with the Global Investment Performance Standards (GIPS®).** 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 local market in which some accounts in the composite are priced was closed for Good Friday on March 29, 2024. Therefore, the performance for the strategy and corresponding benchmark will utilize March 28 for purposes of the ending valuation for the March return and the starting valuation for the April return. Gross returns are presented gross of management fees and any incentive fees if applicable. These returns include transaction costs, commissions, withholding taxes on foreign income and capital gains and include the reinvestment of dividends and other income, as applicable. If management and incentive fees were deducted performance would be lower. For example, if, before fees, the strategy were to achieve a 10% annual rate of return above its hurdle rate each year for ten years, and an annual advisory fee of 1% and incentive fee of 20% of net returns above the hurdle rate were charged during that period, the resulting average annual net return (after the deduction of management and incentive fees) would be approximately 7.20%.

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PRODUCT OVERVIEW

The GMO Emerging Markets Strategy seeks total return in excess of that of its benchmark, the MSCI Emerging Markets Index. GMO uses proprietary quantitative techniques and fundamental analysis to evaluate and select countries, sectors, and equity investments based on factors including, but not limited to, valuation, quality, patterns of price movement and volatility, macroeconomic factors, and ESG (environmental, social and governance) criteria. GMO expects the Strategy will have a value bias relative to its benchmark.

IMPORTANT INFORMATION

Benchmark(s): The MSCI Emerging Markets + Index is an internally maintained benchmark computed by GMO, comprised of (i) the S&P/IFCI Composite through 12/31/2018 and (ii) the MSCI Emerging Markets Index (MSCI Standard Index Series, net of withholding tax) thereafter. S&P does not guarantee the accuracy, adequacy, completeness or availability of any data or information and is not responsible for any errors or omissions from the use of such data or information. Reproduction of the data or information in any form is prohibited except with the prior written permission of S&P or its third party licensors. MSCI data may not be reproduced or used for any other purpose. MSCI provides no warranties, has not prepared or approved this report, and has no liability hereunder. The MSCI Emerging Markets Index (MSCI Standard Index Series, net of withholding tax) is an independently maintained and widely published index comprised of global emerging markets large and mid capitalization stocks. MSCI data may not be reproduced or used for any other purpose. MSCI provides no warranties, has not prepared or approved this report, and has no liability hereunder.

The above information is based on a representative account in the Strategy selected because it has the fewest restrictions and best represents the implementation of the Strategy.

ABOUT GMO

Founded in 1977, GMO is a global asset manager committed to delivering superior performance and advice to our clients. We are privately owned, which allows us to singularly focus on our sole business – achieving outstanding long-term client investment outcomes. Offering multi-asset, equity, fixed income, and alternative strategies, we invest with a long-term, valuation-based philosophical approach.

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*GMO's West Coast Hub is comprised of members of Investment, Global Client Relations, and other teams located in and around the Greater San Francisco area

**Representative Office