

QUARTERLY INVESTMENT REVIEW

Benchmark-Free Allocation Strategy

Performance returns (USD)

ANNUALIZED RETURNS (QUARTER-END)	Quarter-End	YTD	1-Year	3-Year	5-Year	10-Year	Since Inception
Benchmark-Free Allocation Strategy (net)	-2.76	4.35	4.35	4.81	2.95	3.20	7.36
Benchmark-Free Allocation Strategy (gross)	-2.57	5.16	5.16	5.65	3.79	4.04	8.22
CPI Index	0.95	2.86	2.86	4.27	4.21	3.01	2.52
Value Add	-3.71	+1.49	+1.49	+0.54	-1.26	+0.19	+4.84

MAJOR PERFORMANCE DRIVERS

- Top-down asset allocation was negative, as equities and fixed income had a challenging quarter.
- Security selection was negative, as the performance of the alternative strategies allocation hampered returns.

Long-only equities represented 51.3% of the portfolio on average through the quarter, with 10.0% in Emerging Markets with a distinct Value bias, 5.8% in Japan Fundamental Value, 5.0% in Developed ex-U.S. Small Value, 6.1% in Developed ex-U.S., 4.1% in Resource Equity, 3.2% in Quality Cyclical, 5.2% in U.S. Opportunistic Value, 9.0% in International Opportunistic Value, and 3.0% in Japan Small Value.

The equity portfolio returned -6.3% for the quarter, far behind the MSCI ACWI return of -1.0%. Top-down regional and stylistic exposures had a severe negative impact as the U.S. beat both Developed ex-U.S. and Emerging Markets by close to 10%, and Value lagged the broad market in the U.S. by almost 6%. Security selection was essentially flat for the quarter. Our Emerging Markets portfolio returned -7.5%, ahead of the MSCI Emerging Market index return of -8.0%. The Japan Fundamental Value portfolio posted -4.3%, compared to the TOPIX return of -4.1%, while the Japan Small Value exposure posted -5.4%, and the Developed ex-USA Small Cap portfolio delivered -6.3%. The Developed ex-USA exposure posted -5.3%, which beat the MSCI World ex-USA index by 210 bps and the MSCI World ex-USA Value index by 120 bps. Quality Cyclical returned -4.2%, 320 bps behind its benchmark, while Resource Equity posted -13.4%. The U.S. Opportunistic Value exposure returned -1.9%, 120 bps ahead of the MSCI USA Value index return of -3.1%, and International Opportunistic Value posted -7.5%, behind the MSCI World ex-USA Value return of -6.5%.

Composite Inception Date: 31-Jul-01

Risks: Risks associated with investing in the Strategy may include: (1) Management and Operational Risk: The risk that GMO's investment techniques will fail to produce desired results, including annualized returns and annualized volatility. (2) Market Risk - Equities: The market price of equities may decline due to factors affecting the issuer, its industries, or the economy and equity markets generally. Declines in stock market prices generally are likely to reduce the net asset value of the Fund's shares. (3) Non-U.S. Investment Risk: The market prices of many non-U.S. securities (particularly of companies tied economically to emerging countries) fluctuate more than those of U.S. securities. Many non-U.S. markets (particularly emerging markets) are less stable, smaller, less liquid, and less regulated than U.S. markets, and the cost of trading in those markets often is higher than it is in U.S. markets. For a more complete discussion of these risks and others, please consult the Fund's offering documents. This is not a complete list of risks associated with investing in the Strategy. Please contact GMO for more information. **Performance Returns:** Performance for the year of inception is less than a full calendar year. 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 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. 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%. **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. Prior to January 1, 2012, the accounts in the Composite served as the principal component of a broader real return strategy. Beginning January 1, 2012, accounts in the composite have been managed as a standalone investment. Returns include a substantial, one-time litigation settlement recovery received on December 16, 2024. This event contributed 2.29% to Q4 2024 and 2.45% to 2024 annual performance, based on a representative account. Performance for other periods, including this date, was also positively impacted, sometimes materially. Without this recovery, performance would have been lower in both absolute terms and relative to the benchmark. Additional information is available upon request. The portfolio is not managed relative to a benchmark. References to an index are for informational purposes only.

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MAJOR PERFORMANCE DRIVERS CONT.

Alternative strategies averaged 30.8% through the quarter, including 6.8% in Systematic Global Macro, 4.2% in Event-Driven, and 19.8% in Equity Dislocation. Alternative strategies returned -3.0% for the quarter. Equity Dislocation returned -4.0%, a solid result given that MSCI ACWI Value lagged MSCI ACWI Growth by -7.3%, and the strategy remains well ahead of the naïve approach for the year-to-date and longer time periods. Systematic Global Macro was down -2.3%, driven largely by commodity positioning, while Event-Driven was up 3.4%. The collateral was modestly negative and had a -0.4% return for the quarter.

Fixed income represented 17.9% of the portfolio on average through the quarter, including 4.0% in asset-backed securities, 2.2% in Emerging Country Debt, and 11.7% in U.S. Treasuries. Our fixed income strategies returned -3.9% for the quarter, behind the Bloomberg U.S. Aggregate return of -3.1%. Emerging Country Debt, as measured by the J.P. Morgan EMBIG-D index, had a -1.9% return, and the portfolio beat that handsomely with a -0.3% return. The asset-backed securities posted 0.3%, well ahead of the Bloomberg U.S. Securitized index return of -3.0%. It was also a tough quarter for traditional duration and the U.S. Treasury exposure fell -5.9%.

QUARTERLY INVESTMENT REVIEW

PRODUCT OVERVIEW

The GMO Benchmark-Free Allocation Strategy seeks to generate positive total return by allocating dynamically across asset classes, free from the constraints of traditional benchmarks.

The philosophy that underlies all of GMO's Asset Allocation investment strategies is the belief that, at times and in the short term, the pricing of asset classes can deviate from true intrinsic value, but mean reverts to appropriate valuation levels over the long term. GMO's proprietary 7-Year Asset Class Forecasts form the foundation of our investment process, providing a framework to assess the return opportunity embedded in different asset classes. We use that insight to allocate to what we believe are the most attractively priced asset classes.

IMPORTANT INFORMATION

Comparator Index(es): The CPI (Consumer Price Index) for All Urban Consumers US All Items is published monthly by the U.S. government as an indicator of changes in price levels (or inflation) paid by urban consumers for a representative basket of goods and services. CPI Index returns are typically reported on the 15th of the month. The CPI data reported may not include the most recent month-end which could impact the data that GMO has provided.

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