

QUARTERLY INVESTMENT REVIEW

Emerging Markets ex-China Strategy

Performance returns (USD)

| ANNUALIZED RETURNS (QUARTER-END) | Quarter-End | YTD | 1-Year | 3-Year | 5-Year | 10-Year | Since Inception |
|--|-------------|-------|--------|--------|--------|---------|-----------------|
| Emerging Markets ex-China Strategy (net) | -8.34 | 0.57 | 0.57 | -4.71 | - | - | -4.04 |
| Emerging Markets ex-China Strategy (gross) | -8.18 | 1.27 | 1.27 | -4.01 | - | - | -3.33 |
| MSCI Emerging Markets ex-China | -8.12 | 3.56 | 3.56 | 0.12 | - | - | 0.51 |
| Value Add | -0.22 | -2.99 | -2.99 | -4.84 | - | - | -4.55 |

MAJOR PERFORMANCE DRIVERS

Global equity markets diverged in the fourth quarter, as the U.S. had another solid month while the rest of the world struggled – although the returns for a USD investor look particularly lackluster outside the U.S. because of a surging dollar. In particular, with the imminent return of Donald Trump to the White House, areas that are assumed to be beneficiaries of likely policy were favored, while areas that might be subject to tariffs were treated less kindly.

The portfolio modestly underperformed the MSCI Emerging Markets ex-China index for the quarter. The biggest country-sector contributor was an underweight position in Korea Information Technology, driven largely by an underweight to Samsung, which endured another challenging quarter. A small overweight position in Pakistan Petroleum also drove relative performance as the stock nearly doubled over the quarter. The portfolio also enjoyed success in Hungary Financials, as well as Taiwan Industrials. On the negative side, a meaningful overweight position in Brazil was a significant detractor from relative performance as the country lagged, while underperforming stock selection in Taiwan, including Information Technology, and India, including some Energy positions, also detracted.

Portfolio weights, as a percent of equity, for the positions mentioned were: Samsung (2.0%), Pakistan Petroleum (0.0%).

Composite Inception Date: 31-Oct-21

Risks: Risks associated with investing in the Strategy may include: (1) 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. (2) 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. (3) Currency Risk: Fluctuations in exchange rates can adversely affect the market value of the Fund's non-U.S. currency holdings and investments denominated in non-U.S. currencies. For a more complete discussion of these risks and others, please consult the Fund's Prospectus. 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.**

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PRODUCT OVERVIEW

The GMO Emerging Markets ex-China Strategy seeks total return in excess of that of its benchmark, the MSCI Emerging Markets ex-China 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, and macroeconomic factors. GMO also may consider ESG (environmental, social and governance) criteria and expects the Strategy will have a value bias relative to its benchmark.

IMPORTANT INFORMATION

Benchmark(s): The MSCI Emerging Markets ex China Index is an independently maintained and widely published index which captures large and mid cap representation within Emerging Markets (EM) countries, excluding China. 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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