

QUARTERLY INVESTMENT REVIEW

Resources UCITS Fund

Performance returns (USD)

ANNUALIZED RETURNS (QUARTER-END)	Quarter-End	YTD	1-Year	3-Year	5-Year	10-Year	Since Inception
Resources UCITS Fund (net)	0.25	-8.13	-7.13	-2.51	-	-	-0.47
Resources UCITS Fund (gross)	0.44	-7.60	-6.42	-1.77	-	-	0.28
MSCI ACWI Commodity Producers	0.63	4.83	4.81	11.81	-	-	11.65
Value Add	-0.38	-12.96	-11.94	-14.32	-	-	-12.12

MAJOR PERFORMANCE DRIVERS

The third quarter seemed to mark a turning point, or a kind of reversal, for some of the dynamics that have driven global equity markets thus far. Larger cap tech companies appeared to lose some of the steam that had been driving multiples higher. Pervasive fears that China was on the brink of collapse subsided after a significant set of stimulative measures was announced. Many commodity prices - including iron ore, copper, and aluminum - rose significantly at quarter end, in line with what was expected to be a more robust demand environment. One area where the momentum didn't translate was Clean Energy. The Wilderhill Clean Energy index, a barometer of broad Clean Energy performance, was roughly flat for the quarter, all the more surprising as the U.S. Federal Reserve began its rate cutting cycle with a bumper 50 bp cut. Against this backdrop, the Resources portfolio was about flat to the MSCI Commodity Producers index, which was up slightly.

Our Energy segment, now over 60% of the portfolio, detracted in absolute terms due largely to stock selection. Kosmos and Galp, two of the largest detractors, are also two of our fossil fuel companies with the most significant free cash flow profiles over the coming years. In addition, strong performance of Clean Energy, particularly versus broader Clean Energy benchmarks, meant the overall segment added to relative performance. Our Clean Energy companies are, in many cases, starting to move past a cyclical trough and their earnings growth trajectory is becoming clearer by the day. Sunrun, a residential solar installer, and Ameresco, a biofuel producer and clean tech integrator, were two of our strongest contributors this quarter. Across Industrial Metals, higher prices helped the diversified miners while pure-play copper miners rose again. We used weakness in copper prices at the start of the quarter to add to Ivanhoe and other names, positioning that paid off. Gold and aluminum producers had a strong quarter and fall out of our investable universe, the exclusion hurting versus benchmark. Within Agriculture, our seed company Corteva, had a strong quarter and remains one of our highest conviction Ag positions given its globally diversified business and attractive valuation.

The long-term supply/demand dynamics in natural resource markets favor high and rising prices. But the deeply discounted valuations still available in some parts of this sector mean that investors don't need commodity prices to rise in order to expect strong returns. Flat commodity prices could still lead to a healthy return from a resource equity portfolio. In addition, valuations within the Clean Energy sector remain attractive, especially relative to expected earnings growth.

Portfolio weights, as a percent of equity, for the positions mentioned were: Kosmos (4.6%), Ivanhoe (5.2%), SunRun (2.8%), Ameresco (2.2%), Corteva (1.2%).

Inception Date: 29-Mar-21

This is a marketing communication. This is not a contractually binding document. Please refer to the prospectus and to the KIID/PRIIPS KID and do not base any final investment decision on this communication alone. **Risks:** Risks associated with investing in the Fund may include: (1) Focused Investment Risk: The Fund invests its assets in the securities of a limited number of issuers, and a decline in the market price of a particular security held by the Fund may affect the Fund's performance more than if the Fund invested in the securities of a larger number of issuers. (2) Commodities Risk: Commodity prices can be extremely volatile, and exposure to commodities can cause the value of the Fund's shares to decline or fluctuate more than if the Fund had a broader range of investments. (3) 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. For a more complete discussion of these risks and others, please consult the Fund's Prospectus. **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 indicative of future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance data may be lower or higher than the performance data provided herein.** Net of all fees and expenses after reimbursement by the Manager, but not transaction costs, if any. If certain expenses were not reimbursed, performance would be lower. Gross of fees, expenses and transaction costs, if any. If these fees, expenses and costs were included, performance would be lower. The portfolio is not managed relative to a benchmark. References to an index are for informational purposes only.

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PRODUCT OVERVIEW

The GMO Resources UCITS Fund seeks to generate total return by investing in equities in the natural resources sector.

GMO's Focused Equity team believes that the increasing demand for natural resources, driven primarily by population growth in and industrialization of emerging markets, coupled with the limited supply of these resources, favors an upward trend in resource prices over time. The Fund seeks to invest in the securities of companies that we believe will benefit from this expected long-term rise in natural resource prices.

IMPORTANT INFORMATION

Comparator Index(es): The MSCI ACWI (All Country World) Commodity Producers Index (MSCI Standard Index Series, net of withholding tax) is an independently maintained and widely published index comprised of listed large and mid capitalization commodity producers within the global developed and emerging markets. 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.

An investor should consider the fund's investment objectives, risks, charges and expenses before investing. This and other important information can be found in the funds prospectus. To obtain a prospectus please visit www.gmo.com. Read the prospectus carefully before investing.

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The above Fund has not been registered under the United States Investment Company Act of 1940, as amended, nor the U.S. Securities Act of 1933, as amended. None of the shares may be offered or sold, directly or indirectly, in the U.S. or to any U.S. Person, unless the securities are registered under the Act or an exemption from the registration requirements of the Act is available. A U.S. Person is defined as (a) any individual who is a citizen or resident of the U.S. for federal income tax purposes; (b) a corporation, partnership, or other entity created or organized under the laws of or existing in the U.S.; (c) an estate or trust the income of which is subject to U.S. federal income tax regardless of whether such income is effectively connected with a U.S. trade or business.

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Investors and potential investors can also obtain the prospectus and key investor information, in English and other languages, and a summary of investor rights and information on access to collective redress mechanisms at the following website: <https://www.gmo.com/europe/product-index-page/equities/resources-strategy/resources-ucits-fund/>

Please note that GMO Investments ICAV and GMO Funds PLC may decide to terminate the arrangements made for the marketing of the sub-funds in one or more EU member states pursuant to the UCITS marketing passport in accordance with the procedure provided for under the applicable laws that implement Article 93a of Directive 2009/65/EC (the UCITS Directive).

A full list of fees and charges applied to investment can be found in the prospectus and in the KIID/PRIIPS KID, available at: <https://www.gmo.com/europe/product-index-page/equities/resources-strategy/resources-ucits-fund/>

This advertisement has not been reviewed by the Monetary Authority of Singapore.

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

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