

QUARTERLY INVESTMENT REVIEW

U.S. Opportunistic Value Fund

Performance returns (USD)

ANNUALIZED RETURNS (QUARTER-END)	Quarter-End	YTD	1-Year	3-Year	5-Year	10-Year	Since Inception
U.S. Opportunistic Value Fund (net)	-1.97	13.09	13.09	-	-	-	12.48
U.S. Opportunistic Value Fund (gross)	-1.88	13.53	13.53	-	-	-	12.91
MSCI USA Value (Gross)	-3.05	14.34	14.34	-	-	-	10.13
Value Add vs. MSCI USA Value (Gross)	+1.08	-1.25	-1.25	-	-	-	+2.35
MSCI USA (Gross)	2.79	25.08	25.08	-	-	-	22.58
Value Add vs. MSCI USA (Gross)	-4.76	-11.99	-11.99	-	-	-	-10.11

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. **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. To obtain performance information to the most recent month-end, visit www.gmo.com.** The portfolio is not managed relative to a benchmark. References to an index are for informational purposes only. The Index used for performance reporting purposes changed from S&P Composite 1500 to MSCI U.S.A. Value effective June 30th, 2024.

MAJOR PERFORMANCE DRIVERS

Global equity markets diverged in the fourth quarter, as the U.S. had another solid return 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 return of President 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.

Within the U.S., Value severely underperformed Growth in the fourth quarter. Stocks that were identified as cheap by the Price-to-Fair-Value model and by the (most Value-oriented) Price-to-Scale model performed well relative to the MSCI USA Value index, but stocks that were favored by the Quality-Boosted-Value model fared less well.

Sector allocation was responsible for broadly three quarters of the outperformance, driven largely by being overweight Financials and Communication Services, the two sectors that generated positive performance, and by having little exposure to Utilities and Real Estate, which underperformed. Stock selection within sectors was modestly positive, with success in Financials and Information Technology being partly offset by underperformance in Health Care and Consumer Discretionary. The position in Alphabet, which does not feature in the MSCI USA Value benchmark, was the biggest single contributor for the quarter. The biggest individual detractor from relative performance for the quarter was an overweight position in Regeneron Pharmaceuticals.

Portfolio weights as a percentage of equity for the securities mentioned are as follows: Alphabet (2.3%), Regeneron Pharmaceuticals (1.2%).

Inception Date: 13-Dec-22

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.

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:** Annualized Returns may include the impact of purchase premiums and redemption fees. The GMO Trust funds are distributed in the United States by Funds Distributor LLC. GMO and Funds Distributor LLC are not affiliated.

Net Expense Ratio: 0.39%; Gross Expense Ratio: 0.43% Net Expense Ratio reflects the reduction of expenses from fee reimbursements. The fee reimbursements will continue until at least June 30, 2025. Elimination of this reimbursement will result in higher fees and lower performance. Gross Expense Ratio is equal to the Funds Total Annual Operating Expenses set forth in the Funds most recent prospectus dated June 30, 2024.

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PRODUCT OVERVIEW

The GMO U.S. Opportunistic Value Fund (the "Fund") seeks to generate total return by investing primarily in U.S. equities. The Fund measures its performance against the MSCI U.S. Value Index.

GMO's U.S. Opportunistic Value Fund seeks to profit from our Asset Allocation Team's top-down insights as to the most attractively valued segment of the U.S. market. Currently, the team finds "deep value" (cheapest 20%) stocks to be truly dislocated in the U.S. This actively managed Fund avoids the "shallow value" stocks, which are expensive relative to their own history, and focuses solely on the deep value names. With this Fund we focus on the U.S. stocks that GMO's Systematic Equity team identifies as the most undervalued, recognizing that relying on reported financials and index definitions of value can lead investors to misjudge the opportunity.

IMPORTANT INFORMATION

Comparator Index(es): The MSCI USA Value (Gross) Index is an independently maintained and widely published index comprised of large and mid cap US securities exhibiting overall value style characteristics. 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.

The GMO Trust funds are distributed in the United States by Funds Distributor LLC. GMO and Funds Distributor LLC are not affiliated.

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