

Focus Product: GMO Quality Investment Fund

GMO Quality: Safety and the Ability to Add Value

Description

The GMO Quality Investment Fund seeks to generate total return by investing primarily in high-quality equities.

Team

The Portfolio Management team has worked together for 20+ years, focused on long-horizon, high-conviction equity investing.

Differentiators

The Fund is differentiated through an additional focus on valuation, to enhance returns from a high-quality vetted universe.

WHAT IS THE FUND?

The GMO Quality Investment Fund focuses on around 40 high-quality global companies with strong business models, aiming to provide superior risk-adjusted returns and downside protection.

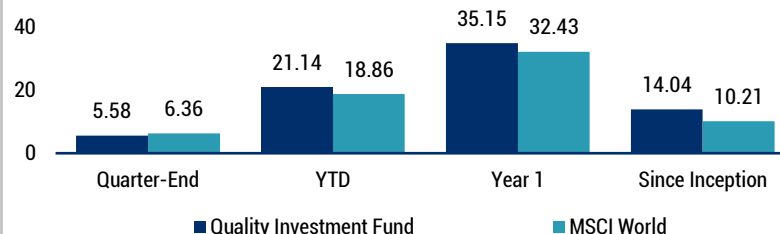
WHY THE FUND?

1. GMO is a pioneer in quality investing with 40+ years of experience.
2. Our focus on valuation can enhance return and risk mitigation.
3. We use a powerful blend of quantitative discipline and fundamental analysis.

WHY NOW?

- The GMO approach balances growth and value without tilting heavily toward either style. The best fit is for clients who are more concerned with absolute risk than relative tracking error.
- For those concerned with current macroeconomic conditions or stock market valuations, but need to maintain an allocation to equities. Quality companies have business models that are robust against economic stress.

PERFORMANCE & DRIVERS: [Q3 2024]



- The GMO Quality Fund slightly underperformed the MSCI World during the quarter, returning 5.6% against the index return of 6.4%
- Main Contributors: Oracle and SAP were significant contributors, benefiting from their successful transition to cloud services. Oracle's strong results made it the largest contributor to relative returns.
- Main Detractors: Quality Growth stocks, particularly in the semiconductor sector, underperformed. The fund took the opportunity to allocate more to ASML, a leader in lithography for semiconductor manufacturing.

Did you know?

GMO's Co-Founder Jeremy Grantham first recognized that high-quality stocks had lower volatility than low-quality stocks and better relative performance, particularly in down-markets, in the 1980s.

Focus Product: GMO Quality Investment Fund

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) 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) Management and Operational Risk: The risk that GMO's investment techniques will fail to produce desired results, including annualized returns and annualized volatility. (3) 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. For a more complete discussion of these risks and others, please consult the Fund's Prospectus. **Performance Returns:** 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. The portfolio is not managed relative to a benchmark. References to an index are for informational purposes only.