

RESOURCES

OVERVIEW

The GMO Resources Strategy seeks to deliver total return by investing in the equities of companies in the natural resources sector. Long-term supply and demand dynamics in natural resource markets favor upward price trends – demand growth is being driven by population growth and the development of emerging markets, while supplies of cheap, easy to access natural resources are declining. To harness this trend, we focus on identifying companies in public equity markets that we believe will benefit from a broad rise in resource prices, across a diversified portfolio of energy, metals, agriculture, and water.

We can invest globally across the capitalization spectrum, including emerging markets, which allows us to identify attractive investment opportunities wherever they may be.

CUMULATIVE TOTAL RETURNS (USD, NET OF FEES, %)

	<i>MTD</i>	<i>QTD</i>	<i>YTD</i>	<i>2023</i>	<i>2022</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>
Composite	4.12	4.28	-0.26	-1.37	-0.30	22.73	22.53	20.31
Index	1.04	3.65	7.94	3.64	21.08	28.14	-12.32	13.06

ANNUALIZED TOTAL RETURNS (USD, NET OF FEES, %)

	<i>1 Year</i>	<i>3 Years</i>	<i>5 Years</i>	<i>10 Years</i>	<i>ITD</i>
Composite	8.37	0.68	11.02	6.38	6.80
Index	22.19	11.91	10.37	3.28	3.45

FACTS

Strategy Inception	28-Dec-11
Composite Inception	31-Dec-11
Total Assets	\$2.8bn USD
Index	MSCI ACWI Commodity Producers

RISK PROFILE (5-YEAR TRAILING)

Alpha (Jensen's)	0.42
Beta	1.03
R Squared	0.86
Sharpe Ratio	0.32
Standard Deviation	27.79

PORTFOLIO MANAGEMENT



Lucas White, CFA
Joined GMO in 2006
BA, Duke University



Tom Hancock
Joined GMO in 1995
MS, Rensselaer
Polytechnic Institute;
PhD, Harvard University

Risks: Risks associated with investing in the Strategy may include Focused Investment Risk, Commodities Risk, Market Risk - Equities, Management and Operational Risk, and Non-U.S. Investment Risk. 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 Returns:** 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. **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. The portfolio is not managed relative to a benchmark. References to an index are for informational purposes only.

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CHARACTERISTICS

	<i>Portfolio</i>	<i>Index</i>
Price/Earnings - Forecast 1 Yr Wtd Mdn	11.8x	12.1x
Price/Book - Hist 1 Yr Wtd Avg	1.5x	1.7x
Price/Cash Flow - Hist 1 Yr Wtd Mdn	6.6x	7.2x
Return on Equity - Hist 1 Yr Mdn	12.6%	16.1%
Dividend Yield - Hist 1 Yr Wtd Avg	3.3%	3.8%
Market Cap - Wtd Mdn Bil	9.1 USD	63.5 USD
Number of Equity Holdings	105	201

TOP COUNTRIES (%)

<i>Country</i>	<i>Portfolio</i>	<i>Index</i>
United States	35.5	41.9
United Kingdom	13.0	14.1
Canada	9.9	11.6
Brazil	9.7	3.2
Portugal	3.7	0.3
Mexico	2.8	0.6
Norway	2.6	1.2
South Africa	2.6	1.2
Spain	2.6	0.5
Cash	2.2	0.0

EXPOSURE BY SEGMENT (%)

<i>Segment</i>	<i>Exposure</i>
Energy	60.0
Fossil Fuels	38.7
Solar	9.4
Biofuels & Other Clean Energy	10.8
Energy Equipment & Services	1.1
Industrial Metals	31.2
Diversified Metals & Mining	17.8
Copper	8.4
Lithium	2.9
Platinum Group Metals	2.2
Agriculture	3.4
Timber	0.9
Water	2.4
[Cash]	2.2

SECTORS (%)

<i>Sector</i>	<i>Portfolio</i>	<i>Index</i>
Consumer Staples	5.9	1.8
Energy	45.1	62.0
Industrials	10.6	0.0
Information Technology	4.4	0.0
Materials	31.3	36.2
Real Estate	0.6	0.0
Utilities	2.2	0.0

TOP HOLDINGS

<i>Company</i>	<i>Country</i>	<i>Segment</i>	<i>%</i>
Kosmos Energy Ltd	United States	Fossil Fuels	5.5
Glencore PLC	United Kingdom	Diversified Metals & Mining	4.6
Ivanhoe Mines Ltd	Canada	Copper	4.6
Darling Ingredients Inc	United States	Biofuels & Other Clean Energy	4.3
Galp Energia SGPS SA	Portugal	Fossil Fuels	3.8
Petroleo Brasileiro SA	Brazil	Fossil Fuels	3.4
Shell PLC	United Kingdom	Fossil Fuels	3.2
BP PLC	United Kingdom	Fossil Fuels	3.1
Sunrun Inc	United States	Solar	3.0
ConocoPhillips	United States	Fossil Fuels	2.9
Total			38.4

REGIONS (%)

<i>Region</i>	<i>Portfolio</i>	<i>Index</i>
United States	35.5	41.9
Emerging	20.1	13.8
Europe ex UK (Developed)	16.9	9.1
United Kingdom	13.0	14.1
Other International	12.2	19.7
Cash Equivalents	2.2	0.0
Japan	0.2	1.3

MARKET CAP BAND EXPOSURES (\$B)

	<i>Portfolio</i>	<i>Index</i>
Small (5.5 & Below)	37.0	4.5
Small - Medium (5.5 To 16.0)	25.1	14.1
Medium (16.0 To 40.5)	17.8	22.3
Medium - Large (40.5 To 116.6)	12.7	20.4
Large (116.6 & Above)	7.4	38.8

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IMPORTANT INFORMATION

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.

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.

GLOSSARY

Risk Statistics: Risk profile data is net of fees. Alpha is a measure of risk-adjusted return. Beta is a measure of a portfolio's sensitivity to the market. R-Squared is a measure of how well a portfolio tracks the market. Sharpe Ratio is the return over the risk free rate per unit of risk. Std Deviation is a measure of the volatility of a portfolio.

Sector Exposures: The Global Industry Classification Standard (GICS) is the exclusive intellectual property of MSCI Inc. (MSCI) and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. (S&P). Neither MSCI, S&P, nor any third party makes any representations or warranties, express or implied, with respect to GICS or the results to be obtained by the use thereof, and expressly disclaim all warranties, including of merchantability and fitness for a particular purpose. Neither MSCI, S&P, nor any third party shall have any liability for any damages of any kind relating to the use of GICS.

Top Holdings: Portfolio holdings are percent of equity. Where applicable, the top holdings are derived by looking through to the underlying portfolios in which the asset allocation strategy invests and, where appropriate, individual security positions are aggregated. They are subject to change and should not be considered a recommendation to buy individual securities. This portfolio continues to hold de minimis Russian exposure as a result of past positioning and ongoing illiquidity. GMO has suspended net new purchases of Russian securities firm-wide.

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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BOSTON

LONDON

SAN FRANCISCO*

SINGAPORE

SYDNEY

TOKYO**

*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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