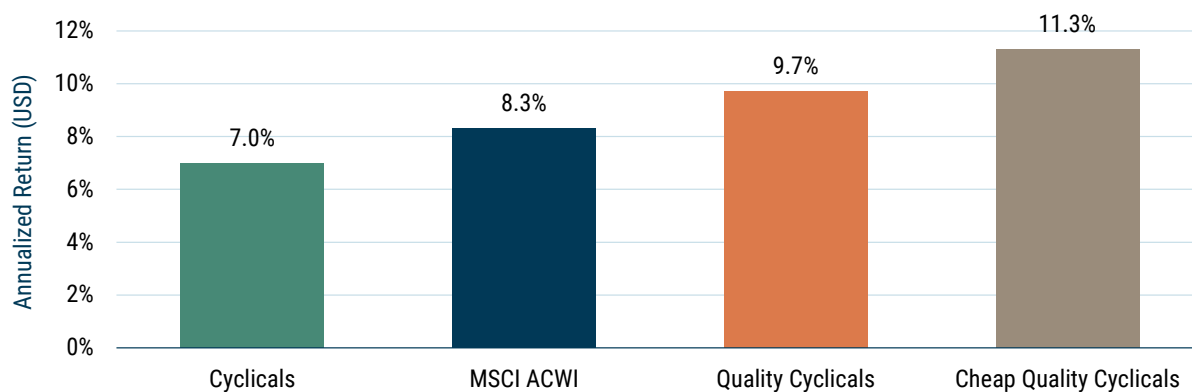


QUALITY CYCLICALS STRATEGY

The Opportunity

The strongest and best managed cyclical businesses ("quality cyclicals") are underappreciated and have generated market-beating returns over time; investors appear to worry unduly about their cyclical nature while underestimating the importance of their advantages. During good times, quality cyclical businesses accrete value via superior business models and capital allocation. In times of adversity, quality cyclicals can cope better than their peers, creating long-term opportunity for those that have the strength to survive and thrive. The Covid-19 pandemic wreaked havoc with the shares of afflicted businesses and the remaining catch-up potential adds to the case for investment in quality cyclicals today.

QUALITY CYCLICALS ARE UNDERAPPRECIATED



As of 3/31/21

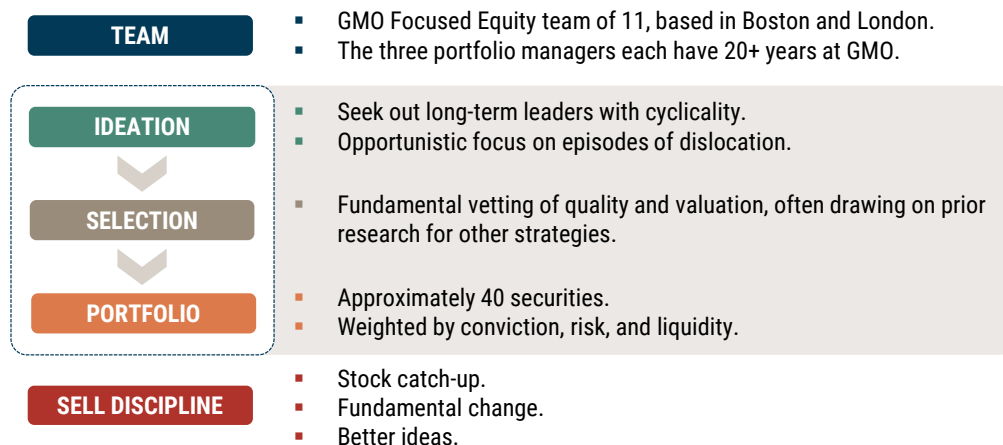
Cyclicals defined as Industrials, Consumer Discretionary, Financials, Real Estate, Energy, and Materials GICS sectors. Returns since end of December 1994.

The GMO Solution

The GMO Quality Cyclicals Strategy (formerly the GMO Cyclical Focus Strategy) seeks to generate total return by investing in leading cyclical businesses. Leveraging their long-term disciplined approach to investing in high quality companies, GMO's Focused Equity team selects from a robust, high-conviction universe of the cyclical businesses that exhibit identifiable high-returning assets, durable long-term business models, and proven capital discipline when compared to their peers.

The mindset of the strategy is contrarian, global and benchmark agnostic. During good times, the team will diversify the portfolio across a number of different industries or cycles. Every few years, a market dislocation creates the opportunity to invest in quality cyclicals at extraordinary prices. At those times the team will run a more concentrated portfolio, focusing on the cycles that have come under particular stress while emphasizing relative quality in order to mitigate timing risks.

The team uses fundamental analysis and GMO's proprietary quantitative framework to identify attractive investments among the leading cyclical businesses.



GMO brings three key competitive advantages to its Quality Cyclical Strategy:

- **EXPERIENCE:** GMO is a pioneer in Quality equity investing with more than 40 years of experience.
- **PRAGMATIC CONTRARIAN APPROACH:** The team manages several contrarian strategies, deploying fundamental insights underpinned by quantitative analysis.
- **LONG TRACK RECORD OF STRONG, RISK-ADJUSTED RETURNS:** The team's flagship Quality Strategy has a history of providing strong returns with less risk than broad equity markets.

The Client Fit

The GMO Quality Cyclical Strategy can be deployed as a contrarian alternative for investors worried about their exposure to FAANGs and large cap equities. Alternatively, it could be deployed tactically to take advantage of the compelling opportunity set that has arisen as a result of the pandemic.

We believe this strategy would particularly appeal to those looking to:

- Access equity market opportunities that will benefit from a cyclical rebound, with company quality providing some mitigation of timing risk.
- Invest in contrarian equity opportunities without relying on low-multiple or deep value strategies.

Who We Are

Founded in 1977, GMO is a private partnership whose sole business is investment management. The firm manages global portfolios with offices and clients around the world. Investment offerings include equity, fixed income, multi-asset class, and alternative strategies. GMO is known for blended fundamental and quantitative investment research expertise and a long-term orientation toward value investing.

The Team

The GMO Quality Cyclical Strategy is managed by the Focused Equity team. The experienced team includes eleven investment professionals and four partners of the firm, with members located in Boston and London. Tom Hancock, Ty Cobb, and Anthony Hene, portfolio managers for the Quality Cyclical Strategy, oversee idea generation, research, and portfolio positioning.

RISK

Risks associated with investing in the Strategy may include Market Risk - Equities, Management and Operational Risk, Focused Investment Risk, Non-U.S. Investment Risk, and Currency Risk.