

MULTI-SECTOR FIXED INCOME

OVERVIEW

The GMO Multi-Sector Fixed Income Strategy seeks to achieve total return in excess of that of its benchmark, the Bloomberg U.S. Aggregate Index, by extracting alpha opportunities without taking any secular bias in duration, maturity, rating, and overall aggregate composition. The Strategy's investment program has two principal components. One component seeks to achieve a return commensurate with that of the Strategy's benchmark. The second component seeks to add value relative to the Strategy's benchmark by making investments that often will not track its benchmark.

FACTS

Strategy Inception	30-Apr-97
Composite Inception	30-Apr-97
Total Assets	\$76mm USD
Benchmark	Bloomberg U.S. Aggregate

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	1.04	-0.51	-0.51	6.02	-14.50	-3.16	7.90	9.60
Benchmark	0.92	-0.78	-0.78	5.53	-13.01	-1.54	7.51	8.72

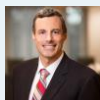
RISK PROFILE (5-YEAR TRAILING)

Alpha (Jensen's)	-0.21
Beta	1.10
R Squared	0.94
Sharpe Ratio	-0.30
Standard Deviation	6.86

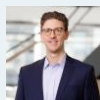
ANNUALIZED TOTAL RETURNS (USD, NET OF FEES, %)

	<i>1 Year</i>	<i>3 Years</i>	<i>5 Years</i>	<i>10 Years</i>	<i>ITD</i>
Composite	2.50	-2.87	-0.01	1.60	4.36
Benchmark	1.70	-2.45	0.36	1.54	4.18

PORTFOLIO MANAGEMENT



Jason Hotra
Joined GMO in 2015
BS, MIT



James Donaldson,
CFA
Joined GMO in 2010
BS, Northeastern
University

Risks: Risks associated with investing in the Strategy may include Market Risk - Fixed Income Investments, Credit Risk, Illiquidity Risk, Derivatives and Short Sales Risk, and Market Risk-Asset-Backed Securities 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 local market in which some accounts in the composite are priced was closed for Good Friday on March 29, 2024. Therefore, the performance for the strategy and corresponding benchmark will utilize March 28 for purposes of the ending valuation for the March return and the starting valuation for the April return.

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CHARACTERISTICS

	<i>Portfolio</i>	<i>Benchmark</i>
Effective Duration	6.3	6.2
Maturity	6.0	8.4
Emerging Cntry Debt Exp.	4.8%	N/A
Coupon	4.2%	3.2%

GLOBAL RATES CONTRIBUTION TO ACTIVE DURATION
(YEARS OF DURATION)

<i>Country</i>	<i>Portfolio</i>
Australia	0.5
United Kingdom	0.1
Canada	0.1
Switzerland	0.1
New Zealand	0.0
Japan	0.0
United States	-0.1
European Union	-0.3
Sweden	-0.3

CONTRIBUTION TO DURATION (YEARS OF DURATION)

	<i>Portfolio</i>	<i>Benchmark</i>
U.S. Treasuries	2.7	2.5
Corporates	1.6	1.7
Securitized	1.5	1.7
Emerging Debt	0.3	0.0
Net Duration Overlay	0.2	0.0
Government Related	0.0	0.3

PORTFOLIO RATING BREAKDOWN (%)

	<i>Portfolio</i>	<i>Benchmark</i>
AAA	9.3	3.2
AA	60.8	72.3
A	13.5	10.8
BBB	10.0	13.7
BB	2.3	0.0
B	1.0	0.0
CCC	0.9	0.0
CC	0.5	0.0
C	0.5	0.0
D	0.7	0.0
NR	0.6	0.0

TOP AND BOTTOM PORTFOLIO OVERLAY CURRENCY
POSITIONS (%)

	<i>Portfolio</i>
Japan	2.9
Norway	2.1
Sweden	1.2
United States	1.1
Mexico	0.4
United Kingdom	-0.4
New Zealand	-0.7
Australia	-0.8
Euro	-2.0
Switzerland	-3.1

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IMPORTANT INFORMATION

Benchmark(s): The Bloomberg U.S. Aggregate Index is an independently maintained and widely published index comprised of U.S. fixed rate debt issues having a maturity of at least one year and rated investment grade or higher.

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

Country Contribution to Duration: Country contribution to duration is measure of each country's contribution to the overall portfolio duration.

Credit Ratings: The credit ratings above may encompass emerging debt, developed rates, and asset-backed exposure. Ratings for core portfolio holdings are derived by using the middle rating from Standard & Poor's, Moody's, and Fitch. Ratings for core holdings were adjusted during the January 2021 reporting period to conform with index provider methodology. Ratings for the emerging debt portion of the portfolio are derived by applying the Standard and Poor's or Moody's issue-level ratings (sequentially), and the S&P LT Foreign currency (FC) country issuer rating for the FC debt securities and/or S&P LT Local currency (LC) country issuer rating for LC securities where a security is not rated by either of the abovementioned credit rating agencies. Final credit ratings are expressed based upon Standard and Poor's ratings scale. Standard & Poor's rates securities from AAA (highest quality) to C (lowest quality), and D to indicate securities in default; some securities are not rated (NR). BB and below are considered below investment grade securities. Please refer to our website for additional information: <https://www.gmo.com/americas/benchmark-disclaimers/>

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.

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