

**GMO Trust**  
**Annual Report**  
**February 28, 2018**

**Climate Change Fund**  
**Emerging Domestic Opportunities Fund**  
**Emerging Markets Fund**  
**Foreign Small Companies Fund**  
**International Equity Fund**  
**International Large/Mid Cap Equity Fund**  
**Quality Fund**  
**Resources Fund**  
**Risk Premium Fund**  
**Tax-Managed International Equities Fund**  
**U.S. Equity Allocation Fund**

For a free copy of the Funds' proxy voting guidelines, shareholders may call 1-617-346-7646 (collect), visit GMO's website at [www.gmo.com](http://www.gmo.com) or visit the Securities and Exchange Commission's website at [www.sec.gov](http://www.sec.gov). Information regarding how the Funds voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available on GMO's website at [www.gmo.com](http://www.gmo.com) or on the Securities and Exchange Commission's website at [www.sec.gov](http://www.sec.gov).

The Funds file their complete schedule of portfolio holdings with the Securities and Exchange Commission for the first and third quarter of each fiscal year on Form N-Q, which is available on the Commission's website at [www.sec.gov](http://www.sec.gov). The Funds' Form N-Q may be reviewed and copied at the Commission's Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330. The Funds have a policy with respect to disclosure of portfolio holdings under which they may also make a complete schedule of portfolio holdings available on GMO's website at [www.gmo.com](http://www.gmo.com).

This report is prepared for the general information of shareholders. It is authorized for distribution to prospective investors only when preceded or accompanied by a prospectus for the GMO Trust, which contains a complete discussion of the risks associated with an investment in these Funds and other important information. The GMO Trust prospectus can be obtained at [www.gmo.com](http://www.gmo.com). The GMO Trust Statement of Additional Information includes additional information about the Trustees of GMO Trust and is available without charge, upon request, by calling 1-617-346-7646 (collect).

An investment in the Funds is subject to risk, including the possible loss of principal amount invested. There can be no assurance that the Funds will achieve their stated investment objectives. Please see the Funds' prospectus regarding specific principal risks for each Fund. General risks may include: market risk-equities, management and operational risk, non-U.S. investment risk, small company risk and derivatives risk.

The Funds are distributed by Funds Distributor LLC. Funds Distributor LLC is not affiliated with GMO.

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## **GMO Climate Change Fund**

**(A Series of GMO Trust)**

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### **Portfolio Management**

Day-to-day management of the Fund's portfolio is the responsibility of the Focused Equity Team at Grantham, Mayo, Van Otterloo & Co. LLC.

### **Management Discussion and Analysis of Fund Performance**

Class III shares of GMO Climate Change Fund returned 23.28% (net) for the period from the Fund's inception on April 5, 2017 through February 28, 2018, as compared with 17.63% for the MSCI ACWI.

The Fund's large overweight to clean energy provided negative allocation and positive selection impacts. An overweight to wind companies detracted. The Fund's solar companies did especially well, up over 107%, with SolarEdge Technologies and First Solar leading the way.

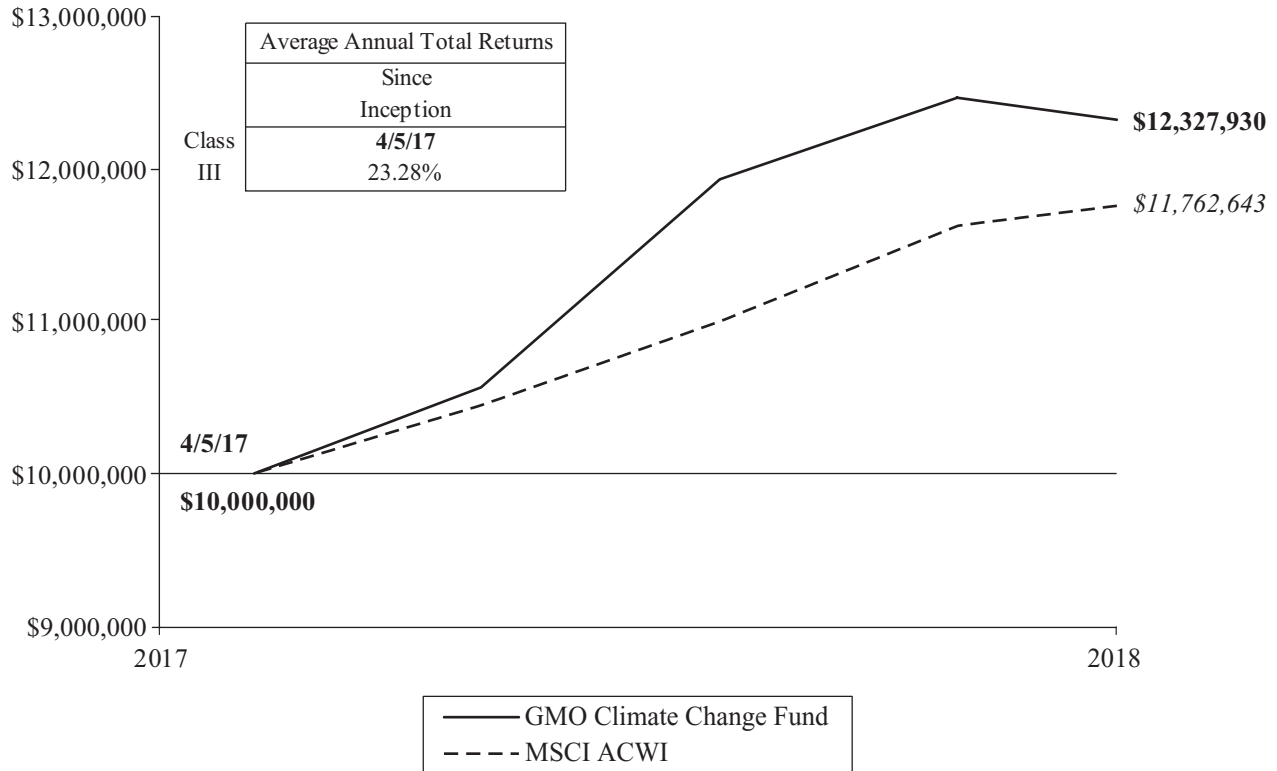
The Fund's overweight to copper provided positive allocation and selection impacts. Freeport-McMoRan was among the largest contributors.

The Fund's overweight to agriculture provided positive allocation and negative selection impacts. The Fund's farming exposure suffered from lower grain prices that detracted from the Fund's return.

*The views expressed herein are exclusively those of Grantham, Mayo, Van Otterloo & Co. LLC as of the date of this report and are subject to change. GMO disclaims any responsibility to update such views. They are not meant as investment advice. References to specific securities are not recommendations of such securities and may not be representative of any GMO portfolio's current or future investments.*

**GMO Climate Change Fund**  
 (A Series of GMO Trust)

**Comparison of Change in Value of a \$10,000,000 Investment in  
 GMO Climate Change Fund Class III Shares and the MSCI ACWI  
 As of February 28, 2018**



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 up to the most recent month-end, visit [www.gmo.com](http://www.gmo.com). Performance shown is net of all fees after reimbursement from GMO. Returns would have been lower had certain expenses not been reimbursed during the periods shown and do not include the effect of taxes on distributions and redemptions. The performance information shown above only includes purchase premiums and/or redemption fees in effect as of February 28, 2018. All information is unaudited. Performance for classes may vary due to different fees.

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**GMO Climate Change Fund**  
**(A Series of GMO Trust)**  
**Investment Concentration Summary**  
**February 28, 2018 (Unaudited)**

<b>Asset Class Summary<sup>&amp;</sup></b>	<b>% of Total Net Assets</b>
Common Stocks	92.5%
Preferred Stocks	4.7
Mutual Funds	2.8
Short-Term Investments	0.2
Other	(0.2)
	<b>100.0%</b>

<b>Country Summary<sup>□</sup></b>	<b>% of Investments</b>
United States	24.5%
Japan	10.5
France	9.0
China	7.0
Germany	6.4
Norway	5.7
Chile	4.3
Denmark	4.0
Russia	3.6
United Kingdom	2.9
Spain	2.7
Canada	2.6
Poland	2.6
Netherlands	2.5
Australia	2.2
Italy	2.0
Other Developed	1.9 <sup>‡</sup>
Argentina	1.2
Other Emerging	1.2 <sup>†</sup>
South Korea	1.1
Portugal	1.1
Brazil	1.0
	<b>100.0%</b>

<b>Industry Group Summary</b>	<b>% of Equity Investments<sup>#</sup></b>
Clean Energy	40.8%
Agriculture	20.8
Energy Efficiency	19.0
Copper	9.9
Smart Grid	5.3
Water	4.2
	<b>100.0%</b>

<sup>&</sup> In the table above, derivative financial instruments, if any, are based on market values or unrealized appreciation/depreciation, in the case of forward currency contracts, rather than notional amounts.

<sup>□</sup> The table above shows country exposure in the Fund. The table excludes short-term investments. The table excludes exposure through forward currency contracts and includes exposure through other derivative financial instruments, if any. The table takes into account the market value of securities and options and the notional amounts of swap contracts and other derivative financial instruments, if any.

<sup>‡</sup> “Other Developed” is comprised of developed countries that each represent between (1.0)% and 1.0% of Investments.

<sup>†</sup> “Other Emerging” is comprised of emerging countries that each represent between (1.0)% and 1.0% of Investments.

<sup>#</sup> Equity investments may consist of common stocks and other stock-related securities, such as preferred stocks, if any. This table excludes exposure to derivative contracts, short-term investments, mutual funds and investment funds, if any. For a summary of these exposures, if any, see the Schedule of Investments.

**GMO Climate Change Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments**  
**(showing percentage of total net assets)**  
**February 28, 2018**

Shares	Description	Value (\$)	Shares	Description	Value (\$)
<b>COMMON STOCKS — 92.5%</b>			<b>France — continued</b>		
<b>Argentina — 1.2%</b>			22,614	Suez	310,583
35,553	Adecoagro SA *	319,621	3,524	Valeo SA	227,890
<b>Australia — 2.2%</b>			10,347	Veolia Environnement SA	251,309
33,717	Galaxy Resources Ltd *	89,492	1,966	Vilmorin & Cie SA	178,565
193,132	Neometals Ltd *	53,425	Total France		2,391,489
34,277	OZ Minerals Ltd	253,617	<b>Germany — 6.4%</b>		
53,371	Quintis Ltd *(a)	12,229	3,538	CENTROTEC Sustainable AG	61,716
21,759	Sandfire Resources NL	127,922	8,157	CropEnergies AG	61,973
18,270	Tassal Group Ltd	53,710	5,228	Energiekontor AG	87,360
Total Australia		590,395	6,742	Innogy SE	268,891
<b>Austria — 0.3%</b>			11,635	K+S AG (Registered)	324,009
6,887	Zumtobel Group AG	73,452	5,010	Nordex SE *	57,562
<b>Canada — 2.6%</b>			980	OSRAM Licht AG	77,377
16,063	Canadian Solar Inc *	252,189	30,027	PNE Wind AG (Registered)	107,985
88,371	Capstone Mining Corp *	95,037	13,773	Senvion SA *	166,460
7,102	Nutrien Ltd *	348,957	3,770	Siemens AG (Registered)	494,024
Total Canada		696,183	Total Germany		1,707,357
<b>Chile — 0.6%</b>			<b>Israel — 0.8%</b>		
166,240	Enel Generacion Chile SA	155,746	51,952	Israel Chemicals Ltd	220,826
<b>China — 7.0%</b>			<b>Italy — 2.0%</b>		
1,280,000	Century Sunshine Group Holdings Ltd *	40,842	10,466	CNH Industrial NV	140,841
231,000	Chaowei Power Holdings Ltd	141,497	7,966	Prysmian SPA	250,155
305,000	China Datang Corp Renewable Power Co Ltd – Class H	37,651	26,250	Terna Rete Elettrica Nazionale SPA	145,500
185,000	China High Speed Transmission Equipment Group Co Ltd	318,384	Total Italy		536,496
804,000	China Singyes Solar Technologies Holdings Ltd *	320,657	<b>Japan — 10.5%</b>		
1,229,000	Guodian Technology & Environment Group Corp Ltd – Class H *	84,911	18,300	ADEKA Corp	332,780
44,100	Sino Agro Food, Inc. *	34,835	1,400	Central Japan Railway Co	260,033
182,000	Tianneng Power International Ltd	179,861	2,000	East Japan Railway Co	187,624
240,000	Wasion Group Holdings Ltd	126,026	5,200	Ebara Corp	191,906
232,600	Xinjiang Goldwind Science & Technology Co Ltd – Class H	363,909	46,000	GS Yuasa Corp	254,827
60,000	Zhengzhou Yutong Bus Co Ltd – Class A	218,039	28,800	Hitachi Zosen Corp	144,970
Total China		1,866,612	4,100	Kubota Corp	74,193
<b>Denmark — 4.0%</b>			1,500	Kurita Water Industries Ltd	45,848
14,836	Vestas Wind Systems A/S	1,072,213	1,500	Odelic Co Ltd	66,382
<b>France — 9.0%</b>			2,100	Organo Corp	67,215
2,763	Albioma SA	69,059	13,000	Osaki Electric Co Ltd	97,501
18,535	Electricite de France SA	240,343	26,900	Panasonic Corp	418,724
992	Nexans SA	52,275	13,400	Renesas Electronics Corp *	153,239
6,126	Schneider Electric SE *	530,933	12,500	Sumitomo Forestry Co Ltd	208,397
23,328	STMicroelectronics NV	530,532	8,100	Takuma Co Ltd	96,961
			2,800	West Japan Railway Co	194,134
			Total Japan		2,794,734
			<b>Kenya — 0.2%</b>		
			543,600	Kenya Electricity Generating Co Ltd *	48,454

See accompanying notes to the financial statements.

**GMO Climate Change Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments — (Continued)**  
**(showing percentage of total net assets)**  
**February 28, 2018**

Shares	Description	Value (\$)	Shares	Description	Value (\$)
	<b>Malaysia — 0.1%</b>			<b>Ukraine — 0.8%</b>	
36,200	Mega First Corp BHD	33,373	14,204	Kernel Holding SA *	201,508
	<b>Netherlands — 2.5%</b>			<b>United Kingdom — 2.9%</b>	
8,717	Arcadis NV	208,831	15,363	Antofagasta Plc	182,642
7,699	Philips Lighting NV	304,996	6,993	Go-Ahead Group Plc	146,860
7,599	SIF Holding NV	150,197	19,151	National Grid Plc	193,816
	Total Netherlands	664,024	23,808	Polypipe Group Plc	127,362
	<b>Norway — 5.7%</b>		61,215	Stagecoach Group Plc	119,233
48,077	Austevoll Seafood ASA	430,991		Total United Kingdom	769,913
3,641	Bakkafrost P/F	183,837		<b>United States — 21.7%</b>	
8,276	Grieg Seafood ASA	72,778	1,400	AGCO Corp.	93,240
4,029	Marine Harvest ASA	77,609	1,100	Albemarle Corp.	110,473
10,769	Salmar ASA	382,856	4,600	BorgWarner, Inc.	225,768
8,591	Yara International ASA	379,612	7,500	Darling Ingredients, Inc. *	136,425
	Total Norway	1,527,683	1,900	Deere & Co.	305,653
	<b>Poland — 2.6%</b>		4,900	Delphi Technologies Plc	233,975
3,838	Grupa Azoty SA	65,036	5,500	Eaton Corp Plc	443,850
20,592	KGHM Polska Miedz SA	624,915	2,100	EnerSys	146,349
	Total Poland	689,951	8,200	Exelon Corp.	303,728
	<b>Portugal — 1.1%</b>		10,900	First Solar, Inc. *	685,065
90,225	EDP – Energias de Portugal SA	301,598	68,551	Freeport-McMoRan, Inc. *	1,275,049
	<b>Russia — 3.6%</b>		1,500	Mosaic Co. (The)	39,480
12,960	PhosAgro PJSC GDR (Registered)	196,889	1,600	NRG Yield, Inc. – Class A	24,608
48,703	Ros Agro Plc GDR (Registered)	481,485	3,000	PG&E Corp.	123,270
8,616,159	RusHydro PJSC	119,388	8,600	Renewable Energy Group, Inc. *	95,460
89,932	Uralkali PJSC *	165,076	28,700	SolarEdge Technologies, Inc. *	1,436,435
	Total Russia	962,838	16,900	SunPower Corp. *	119,821
	<b>South Africa — 0.1%</b>			Total United States	5,798,649
3,481	Tongaat Hulett Ltd	31,762		TOTAL COMMON STOCKS (COST \$23,342,442)	24,703,635
	<b>South Korea — 1.1%</b>			<b>PREFERRED STOCKS <sup>(b)</sup> — 4.7%</b>	
859	LG Chem Ltd	303,336		<b>Brazil — 1.0%</b>	
	<b>Spain — 2.7%</b>		70,000	Cia Energetica de Minas Gerais Sponsored ADR	175,000
796	Acciona SA	67,376	12,100	Companhia Paranaense de Energia Sponsored ADR	94,985
777	Construccion y Auxiliar de Ferrocarriles SA	37,484		Total Brazil	269,985
9,287	Endesa SA	194,958		<b>Chile — 3.7%</b>	
38,928	Iberdrola SA	286,484	19,700	Sociedad Quimica y Minera de Chile SA Sponsored ADR	983,030
2,277	Red Electrica Corp SA	44,303		TOTAL PREFERRED STOCKS (COST \$1,133,687)	1,253,015
5,896	Saeta Yield SA	87,429			
	Total Spain	718,034			
	<b>Switzerland — 0.8%</b>				
3,189	ABB Ltd (Registered)	77,170			
150	Gurit Holding AG *	150,218			
	Total Switzerland	227,388			



**GMO Climate Change Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments — (Continued)**  
**(showing percentage of total net assets)**  
**February 28, 2018**

<b>Shares</b>	<b>Description</b>	<b>Value (\$)</b>
	<b>MUTUAL FUNDS — 2.8%</b>	
	<b>United States — 2.8%</b>	
	<b>Affiliated Issuers — 2.8%</b>	
30,098	GMO U.S. Treasury Fund	751,549
	TOTAL MUTUAL FUNDS (COST \$751,849)	751,549
	<b>SHORT-TERM INVESTMENTS — 0.2%</b>	
	<b>Money Market Funds — 0.2%</b>	
47,925	State Street Institutional Treasury Money Market Fund-Premier Class, 1.33% <sup>(c)</sup>	47,925
	TOTAL SHORT-TERM INVESTMENTS (COST \$47,925)	47,925
	<b>TOTAL INVESTMENTS — 100.2%</b> (Cost \$25,275,903)	<b>26,756,124</b>
	Other Assets and Liabilities (net) — (0.2%)	(62,039)
	<b>TOTAL NET ASSETS — 100.0%</b>	<b><u>\$26,694,085</u></b>

**Notes to Schedule of Investments:**

- \* Non-income producing security.
- (a) Investment valued using significant unobservable inputs (Note 2).
- (b) Preferred dividend rates are disclosed to the extent that a stated rate exists.
- (c) The rate disclosed is the 7 day net yield as of February 28, 2018.

For a listing of definitions of acronyms, counterparty abbreviations and currency abbreviations used throughout the Schedule of Investments as well as the derivative tables, if any, please refer to page 83.

## **GMO Emerging Domestic Opportunities Fund** **(A Series of GMO Trust)**

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### **Portfolio Management**

Day-to-day management of the Fund's portfolio is the responsibility of the Emerging Markets Equity team at Grantham, Mayo, Van Otterloo & Co. LLC and GMO Singapore Pte. Limited.

### **Management Discussion and Analysis of Fund Performance**

Although GMO does not manage the Fund to, or control the Fund's risk relative to, any index or benchmark, a discussion of the Fund's performance relative to the MSCI Emerging Markets Index is included for comparative purposes. Please note that, in GMO's view, only approximately half of the stocks in the MSCI Emerging Markets Index are stocks that GMO considers to be suitable investments for the Fund.

Class II shares of GMO Emerging Domestic Opportunities Fund returned +29.10% (net) for the fiscal year ended February 28, 2018, as compared with +30.51% for the MSCI Emerging Markets Index.

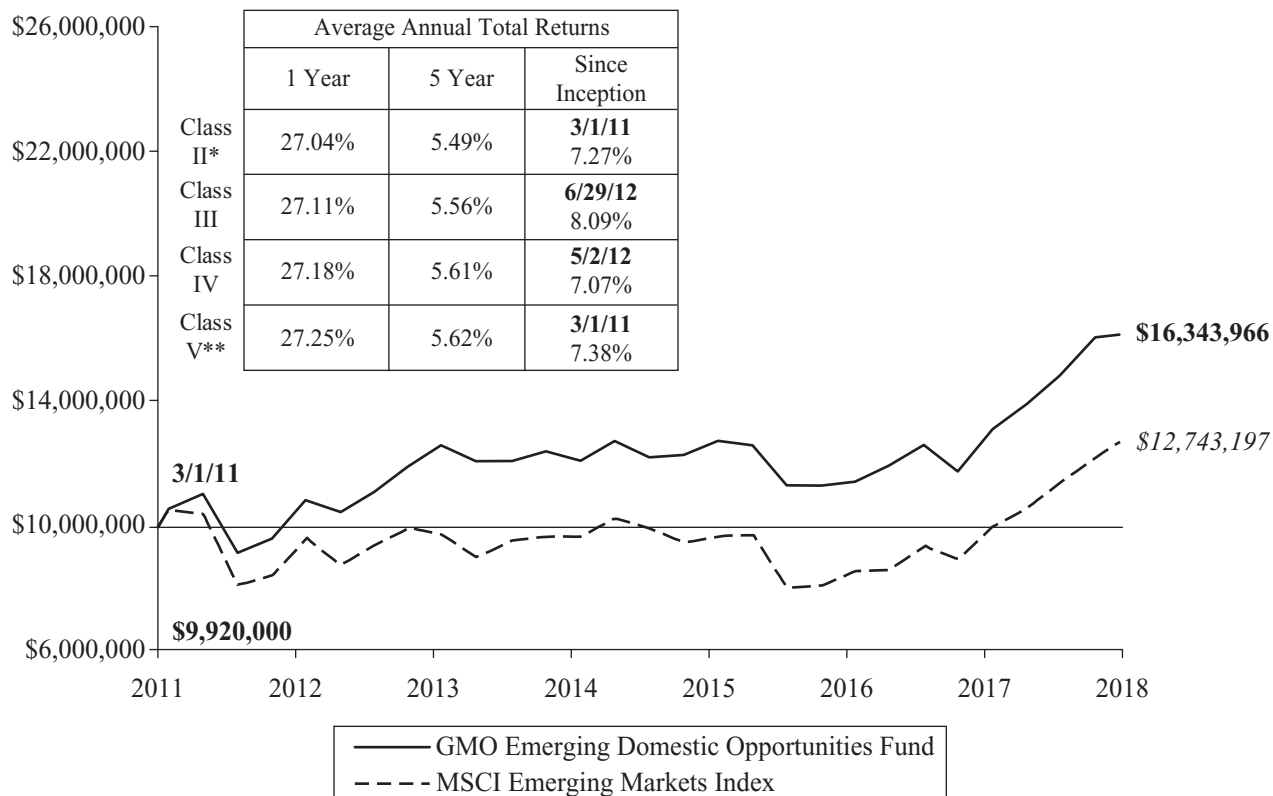
Country-sector allocation detracted from the Fund's relative returns for the fiscal year. The Fund's holdings in Philippines Consumer Staples and South Korea Information Technology hurt relative performance.

Stock selection overall had a positive impact on relative returns for the fiscal year. In particular, the Fund's stock selections in China Consumer Discretionary and China Consumer Staples added to relative performance.

*The views expressed herein are exclusively those of Grantham, Mayo, Van Otterloo & Co. LLC as of the date of this report and are subject to change. GMO disclaims any responsibility to update such views. They are not meant as investment advice. References to specific securities are not recommendations of such securities and may not be representative of any GMO portfolio's current or future investments.*

**GMO Emerging Domestic Opportunities Fund**  
(A Series of GMO Trust)

**Comparison of Change in Value of a \$10,000,000 Investment in  
GMO Emerging Domestic Opportunities Class II Shares and the MSCI Emerging Markets Index  
As of February 28, 2018**



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 up to the most recent month-end, visit [www.gmo.com](http://www.gmo.com). Performance shown is net of all fees after reimbursement from GMO. Each performance figure assumes a purchase at the beginning and redemption at the end of the stated period and reflects a transaction fee of .80% on the purchase and .80% on the redemption. Transaction fees are retained by the Fund to cover trading costs. Returns would have been lower had certain expenses not been reimbursed during the periods shown and do not include the effect of taxes on distributions and redemptions. All information is unaudited. Performance for classes may vary due to different fees.

\* For the period from March 1, 2011 to March 24, 2011, no Class II shares were outstanding. Performance for that period is that of Class V, which has lower expenses. Therefore, the performance shown is higher than it would have been if Class II expenses had been applied throughout.

\*\* For the period from October 27, 2011 to November 29, 2013, no Class V shares were outstanding. Performance for that period is that of Class II, which has higher expenses. Therefore, the performance shown is lower than it would have been if Class V expenses had been applied throughout.

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# GMO Emerging Domestic Opportunities Fund

(A Series of GMO Trust)

## Investment Concentration Summary

February 28, 2018 (Unaudited)

<b>Asset Class Summary<sup>&amp;</sup></b>	<b>% of Total Net Assets</b>
Common Stocks	72.2%
Investment Funds	14.4
Mutual Funds	5.4
Preferred Stocks	3.0
Fully Funded Total Return Swaps	0.9
Short-Term Investments	0.8
Rights/Warrants	0.2
Forward Currency Contracts	0.1
Futures Contracts	0.0 <sup>^</sup>
Other	3.0
	<b>100.0%</b>

<b>Country Summary<sup>□</sup></b>	<b>% of Investments</b>
China	34.5%
United States	16.5*
Brazil	13.0
India	10.3
Philippines	5.5
Taiwan	4.4
Russia	4.2
Thailand	3.9
Hong Kong	3.5
Indonesia	2.6
Vietnam	2.0
South Africa	1.0
Poland	1.0
Hungary	0.9
Peru	0.9
Malaysia	0.6
United Kingdom	0.3*
Singapore	(5.1)
	<b>100.0%</b>

<b>Industry Group Summary</b>	<b>% of Equity Investments<sup>#</sup></b>
Banks	28.5%
Software & Services	18.2
Food, Beverage & Tobacco	10.2
Consumer Durables & Apparel	7.7
Insurance	5.6
Capital Goods	4.4
Diversified Financials	4.4
Transportation	3.3
Consumer Services	2.8
Food & Staples Retailing	2.8
Real Estate	2.6
Telecommunication Services	2.2
Retailing	2.1
Materials	1.9
Media	1.1
Automobiles & Components	0.9
Energy	0.9
Commercial & Professional Services	0.4
	<b>100.0%</b>

<sup>&</sup> In the table above, derivative financial instruments, if any, are based on market values or unrealized appreciation/depreciation, in the case of forward currency contracts, rather than notional amounts.

<sup>□</sup> The table above shows country exposure in the Fund. The table excludes short-term investments. The table excludes exposure through forward currency contracts and includes exposure through other derivative financial instruments, if any. The table takes into account the market value of securities and options and the notional amounts of swap contracts and other derivative financial instruments, if any.

<sup>\*</sup> Includes companies that derive more than 50% of their revenues or profits from emerging markets.

<sup>#</sup> Equity investments may consist of common stocks and other stock-related securities, such as preferred stocks, if any. This table excludes exposure to derivative contracts, short-term investments, mutual funds and investment funds, if any. For a summary of these exposures, if any, see the Schedule of Investments.

<sup>^</sup> Rounds to 0.0%.

# GMO Emerging Domestic Opportunities Fund

(A Series of GMO Trust)

## Schedule of Investments

(showing percentage of total net assets)

February 28, 2018

Shares	Description	Value (\$)	Shares	Description	Value (\$)
<b>COMMON STOCKS — 72.2%</b>			<b>Hong Kong — 3.3%</b>		
<b>Brazil — 5.1%</b>			6,370,896	AIA Group Ltd	52,869,445
885,400	B3 SA – Brasil Bolsa Balcao	6,986,340	21,711,500	WH Group Ltd	26,739,982
3,946,739	Banco BTG Pactual SA	28,006,057		Total Hong Kong	79,609,427
2,573,982	BR Malls Participacoes SA	9,457,515	<b>Hungary — 0.9%</b>		
4,957,057	JHSF Participacoes SA *	2,748,068	482,555	OTP Bank Plc	21,499,712
3,711,747	LPS Brasil Consultoria de Imoveis SA *	6,161,667	<b>India — 9.8%</b>		
1,313,387	M Dias Branco SA	24,201,529	1,550,416	Action Construction Equipment Ltd	4,419,432
10,347,800	Rumo SA *	45,382,572	499,595	Amber Enterprises India Ltd * (a)	8,381,256
	Total Brazil	122,943,748	555,538	Asian Granito India Ltd	4,147,837
<b>China — 32.0%</b>			1,191,068	BLS International Services Ltd	3,121,886
31,542,300	Agricultural Bank of China Ltd – Class H	17,330,930	588,896	Bombay Burmah Trading Co	12,780,722
628,307	Alibaba Group Holding Ltd Sponsored ADR *	116,953,065	997,041	CCL Products India Ltd	4,520,438
2,139,500	Anhui Conch Cement Co Ltd – Class H	11,367,240	1,206,095	CMI Ltd (b)	4,657,808
27,024,550	China Construction Bank Corp – Class H	27,708,605	339,751	Dixon Technologies India Ltd * (a)	17,920,960
8,030,700	China International Capital Corp Ltd – Class H	15,580,497	612,007	Dollar Industries Ltd	4,257,617
103,004	China Lodging Group Ltd Sponsored ADR	15,646,308	2,748,839	Edelweiss Financial Services Ltd	11,254,704
9,909,021	China Merchants Bank Co Ltd – Class H	41,311,867	10,683,040	Gayatri Highways Ltd * (b) (c)	1,147,898
2,841,200	China Vanke Co Ltd – Class H	12,605,679	10,683,040	Gayatri Projects Ltd * (b)	34,529,636
1,111,700	Foshan Haitian Flavouring & Food Co Ltd – Class A	9,732,839	1,396,166	HDFC Bank Ltd (d)	41,068,324
3,549,616	Gree Electric Appliances Inc of Zhuhai – Class A	28,805,725	20,814,127	Himachal Futuristic Communications Ltd *	9,443,785
10,708,000	Greentown Service Group Co Ltd	7,746,238	1,272,593	Indiabulls Real Estate Ltd *	4,176,113
4,254,700	Haitian International Holdings Ltd	13,033,544	951,680	Mahindra & Mahindra Financial Services Ltd	6,305,913
1,764,343	Hangzhou Robam Appliances Co Ltd – Class A	11,288,194	1,850,095	Muthoot Finance Ltd	11,063,560
1,740,245	Huayu Automotive Systems Co Ltd – Class A	7,205,793	644,404	Navin Fluorine International Ltd	7,942,387
33,446,000	Industrial & Commercial Bank of China Ltd – Class H	28,514,041	1,584,561	PC Jeweller Ltd	8,043,083
947,600	Inner Mongolia Yili Industrial Group Co Ltd – Class A	4,843,662	1,508,942	Sangam India Ltd	3,340,627
318,043	Jiangsu Yanghe Brewery Joint-Stock Co Ltd – Class A	5,898,653	34,158	Shree Cement Ltd	8,705,889
218,794	Kweichow Moutai Co Ltd – Class A	24,896,640	1,139,949	Srikalahasthi Pipes Ltd	6,026,217
4,136,138	Midea Group Co Ltd – Class A	35,724,397	850,015	Sun TV Network Ltd	12,031,589
1,608,761	Minth Group Ltd	9,440,846	286,335	V-Mart Retail Ltd	7,066,599
161,600	New Oriental Education & Technology Group Inc Sponsored ADR	14,768,624	280,392	Vakrangee Ltd	692,171
4,698,500	Ping An Insurance Group Co of China Ltd – Class H	49,490,725		Total India	237,046,451
3,777,300	Qingdao Haier Co Ltd – Class A	11,619,644	<b>Indonesia — 2.5%</b>		
553,005	TAL Education Group ADR	20,881,469	11,875,662	Bank Central Asia Tbk PT	19,986,263
2,676,600	Tencent Holdings Ltd	146,432,812	56,153,900	Bank Tabungan Negara Persero Tbk PT	15,179,337
1,276,800	Vipshop Holdings Ltd ADR *	22,203,552	57,133,700	Malindo Feedmill Tbk PT	2,990,538
307,400	Weibo Corp Sponsored ADR *	39,507,048	77,097,514	Telekomunikasi Indonesia Persero Tbk PT	22,326,018
739,532	Wuxi Little Swan Co Ltd – Class A	8,149,863		Total Indonesia	60,482,156
1,425,381	Zhejiang Supor Cookware Co Ltd – Class A	9,854,312	<b>Malaysia — 0.6%</b>		
	Total China	768,542,812	12,376,770	AirAsia Berhad	13,816,943
			<b>Peru — 0.9%</b>		
			98,700	Credicorp Ltd	21,363,615
			<b>Philippines — 5.3%</b>		
			5,595,440	Bank of the Philippine Islands	12,863,979
			8,180,602	BDO Unibank Inc	24,379,157

See accompanying notes to the financial statements.

# GMO Emerging Domestic Opportunities Fund

(A Series of GMO Trust)

Schedule of Investments — (Continued)

(showing percentage of total net assets)

February 28, 2018

Shares	Description	Value (\$)	Shares	Description	Value (\$)
	<b>Philippines — continued</b>			<b>INVESTMENT FUNDS — 14.4%</b>	
21,104,800	Century Pacific Food Inc	6,580,001		<b>Brazil — 4.3%</b>	
13,449,276	Concepcion Industrial Corp	16,596,875	2,258,500	iShares MSCI Brazil Capped ETF	102,716,580
5,124,042	Philippine Seven Corp	11,560,469		<b>Taiwan — 3.4%</b>	
22,084,490	Puregold Price Club Inc	21,984,040	2,195,223	iShares MSCI Taiwan Capped ETF	80,454,923
9,250,351	Robinsons Retail Holdings Inc	16,901,731		<b>Thailand — 0.9%</b>	
22,291,868	Semirara Mining & Power Corp	15,757,693	46,668,092	Digital Telecommunication Infrastructure Fund	21,564,148
	Total Philippines	126,623,945		<b>United States — 5.8%</b>	
	<b>Poland — 0.9%</b>		2,917,285	iShares MSCI Emerging Markets ETF	140,088,026
571,331	Bank Pekao SA	21,949,465		TOTAL INVESTMENT FUNDS (COST \$351,832,653)	344,823,677
	<b>Russia — 4.1%</b>			<b>RIGHTS/WARRANTS — 0.2%</b>	
3,662,226	Sberbank of Russia Sponsored ADR	74,160,369		<b>China — 0.2%</b>	
573,900	Yandex NV – Class A *	23,581,551	217,310	Jiangsu Yanghe Brewery Joint Stock Co Ltd Warrants, Expires 05/14/18 *	4,049,338
	Total Russia	97,741,920		TOTAL RIGHTS/WARRANTS (COST \$2,259,415)	4,049,338
	<b>South Africa — 0.9%</b>			<b>MUTUAL FUNDS — 5.4%</b>	
31,635	Naspers Ltd – N Shares	8,587,380		<b>United States — 5.4%</b>	
291,357	Nedbank Group Ltd	7,069,204		<b>Affiliated Issuers — 5.4%</b>	
392,483	Standard Bank Group Ltd	7,197,505	5,239,270	GMO U.S. Treasury Fund	130,824,583
	Total South Africa	22,854,089		TOTAL MUTUAL FUNDS (COST \$130,870,512)	130,824,583
	<b>Taiwan — 0.9%</b>			<b>FULLY FUNDED TOTAL RETURN SWAPS — 0.9%</b>	
9,327,366	Uni-President Enterprises Corp	21,838,133		<b>China — 0.9%</b>	
	<b>Thailand — 2.8%</b>		1,789,300	Total Return on Wuliangye Yibin Co Ltd, Expires 4/9/2018. Premium Paid/(Received): \$11,177,399. Periodic Payment Frequency: N/A. Net Unrealized Appreciation (Depreciation): \$9,632,908 (OTC) (CP-GS)	20,810,307
7,029,500	Kiatnakin Bank Pcl (Foreign Registered)	17,403,210		TOTAL FULLY FUNDED TOTAL RETURN SWAPS (COST \$11,177,399)	20,810,307
28,006,200	Krung Thai Bank Pcl (Foreign Registered)	18,032,355		<b>SHORT-TERM INVESTMENTS — 0.8%</b>	
133,796,983	Quality Houses Pcl (Foreign Registered)	12,686,247		<b>Money Market Fund — 0.2%</b>	
7,105,100	Tisco Financial Group Pcl (Foreign Registered)	19,946,576	6,251,757	State Street Institutional Treasury Money Market Fund-Premier Class, 1.33% <sup>(f)</sup>	6,251,757
	Total Thailand	68,068,388		<b>U.S. Government — 0.6%</b>	
	<b>United Kingdom — 0.3%</b>		3,000,000	U.S. Treasury Bill, 1.31%, due 03/22/18 <sup>(g) (h)</sup>	2,997,642
117,334	British American Tobacco Plc	6,925,341	2,000,000	U.S. Treasury Bill, 1.72%, due 07/05/18 <sup>(g) (h)</sup>	1,988,083
	<b>Vietnam — 1.9%</b>		6,000,000	U.S. Treasury Bill, 1.58%, due 05/17/18 <sup>(g) (h)</sup>	5,979,771
8,255,620	Ho Chi Minh City Development Joint Stock Commercial Bank *	16,107,111			
3,345,580	Vietnam Dairy Products JSC	28,783,069			
	Total Vietnam	44,890,180			
	TOTAL COMMON STOCKS (COST \$1,454,214,512)	1,736,196,325			
	<b>PREFERRED STOCKS <sup>(e)</sup> — 3.0%</b>				
	<b>Brazil — 3.0%</b>				
4,172,900	Itau Unibanco Holding SA	64,748,130			
250,000	Randon SA Implementos e Participacoes	712,988			
487,900	Telefonica Brasil SA	7,610,993			
	Total Brazil	73,072,111			
	TOTAL PREFERRED STOCKS (COST \$65,627,883)	73,072,111			

# GMO Emerging Domestic Opportunities Fund

(A Series of GMO Trust)

Schedule of Investments — (Continued)

(showing percentage of total net assets)

February 28, 2018

Shares	Description	Value (\$)
<b>U.S. Government — continued</b>		
3,000,000	U.S. Treasury Bill, 1.96%, due 01/03/19 <sup>(g) (h)</sup>	2,950,784
	Total U.S. Government	13,916,280
TOTAL SHORT-TERM INVESTMENTS (COST \$20,175,398)		
		20,168,037
<b>TOTAL INVESTMENTS — 96.9%</b> (Cost \$2,036,157,772)		
		2,329,944,378
	Other Assets and Liabilities (net) — 3.1%	73,357,476
<b>TOTAL NET ASSETS — 100.0%</b>		
		<b>\$2,403,301,854</b>

Additional information on each restricted security is as follows:

Issuer Description	Acquisition Date	Acquisition Cost	Value as a Percentage of Fund's Net Assets	Value as of February 28, 2018
Amber Enterprises India Ltd	12/11/2017	\$6,214,810	0.35%	\$ 8,381,256
Dixon Technologies India Ltd	8/04/2017	9,417,811	0.75%	17,920,960
				<u>\$26,302,216</u>

A summary of outstanding financial instruments at February 28, 2018 is as follows:

## Forward Currency Contracts

Settlement Date	Counter-party	Currency Sold	Currency Purchased	Net Unrealized Appreciation (Depreciation)
01/24/2019	MSCI	PHP 1,999,356,086	USD 38,279,841	\$ 783,042
02/20/2019	MSCI	PHP 1,020,320,426	USD 19,069,628	(38,794)
06/08/2018	MSCI	PHP 1,979,635,372	USD 39,251,222	1,611,524
				<u>\$2,355,772</u>

## Futures Contracts

Number of Contracts +	Type	Expiration Date	Notional Amount	Value/Net Unrealized Appreciation (Depreciation)
1,843	Mini MSCI Emerging Markets	March 2018	\$109,013,450	\$ 585,358
5,627	SGX CNX Nifty Index 50	March 2018	\$118,380,826	\$(1,721,609)

+ Buys - Fund is long the futures contract.  
Sales - Fund is short the futures contract.

As of February 28, 2018, for the above contracts and/or agreements, the Fund had sufficient cash and/or securities to cover commitments or collateral requirements, if any, of the relevant broker or exchange.

## Notes to Schedule of Investments:

\* Non-income producing security.

- (a) The security is restricted as to resale.
- (b) Affiliated company (Note 10).
- (c) Investment valued using significant unobservable inputs (Note 2).
- (d) Security valued at the local price and adjusted by applying a premium or discount since holding exceeds foreign ownership limits.
- (e) Preferred dividend rates are disclosed to the extent that a stated rate exists.
- (f) The rate disclosed is the 7 day yield as of February 28, 2018.

(g) The rate shown represents yield-to-maturity.

(h) All or a portion of this security has been pledged to cover margin requirements on futures and/or cleared swap contracts, collateral on OTC swap contracts, forward currency contracts, and/or written options, if any (Note 4).

For a listing of definitions of acronyms, counterparty abbreviations and currency abbreviations used throughout the Schedule of Investments as well as the derivative tables, if any, please refer to page 83.

## **GMO Emerging Markets Fund** **(A Series of GMO Trust)**

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### **Portfolio Management**

Day-to-day management of the Fund's portfolio is the responsibility of the Emerging Markets Equity team at Grantham, Mayo, Van Otterloo & Co. LLC.

### **Management Discussion and Analysis of Fund Performance**

Class II shares of GMO Emerging Markets Fund returned +24.66% (net) for the fiscal year ended February 28, 2018, as compared with +30.37% for the S&P/IFCI Composite Index.

Country-sector allocation detracted from the Fund's relative returns for the fiscal year. The Fund's underweight in China Information Technology and overweight in China Telecommunications negatively impacted relative performance. The Fund's overweight in Russia Financials and India Financials added to relative performance.

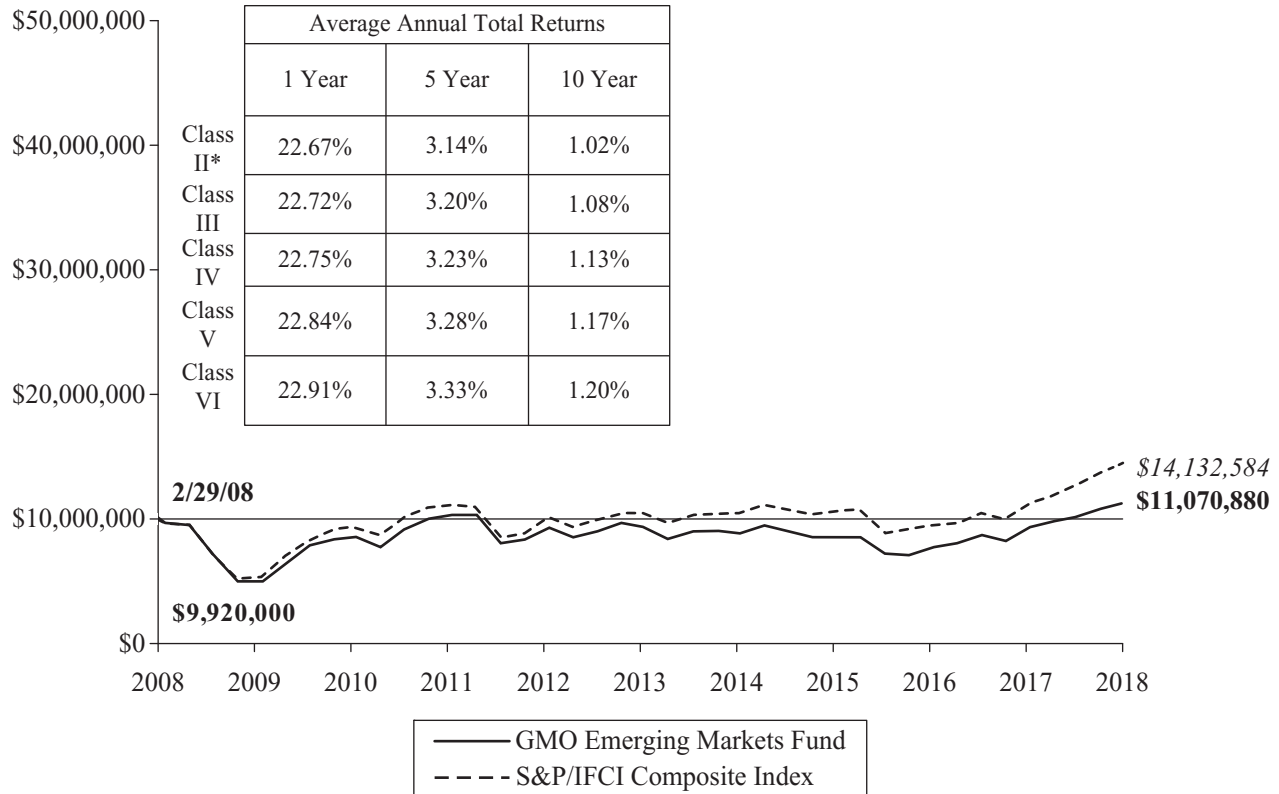
Stock selection hurt performance during the fiscal year. The Fund's stock selections in Taiwan Information Technology and South Korea Consumer Discretionary hurt relative performance, while the stock selections in China Consumer Discretionary and China Consumer Staples helped relative performance.

*The views expressed herein are exclusively those of Grantham, Mayo, Van Otterloo & Co. LLC as of the date of this report and are subject to change. GMO disclaims any responsibility to update such views. They are not meant as investment advice. References to specific securities are not recommendations of such securities and may not be representative of any GMO portfolio's current or future investments.*



**GMO Emerging Markets Fund**  
(A Series of GMO Trust)

**Comparison of Change in Value of a \$10,000,000 Investment in  
GMO Emerging Markets Fund Class II Shares and the S&P/IFCI Composite Index  
As of February 28, 2018**



**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 up to the most recent month-end, visit [www.gmo.com](http://www.gmo.com).** Performance shown is net of all fees after reimbursement from GMO. Each performance figure assumes a purchase at the beginning and redemption at the end of the stated period and reflects a transaction fee of .80% on the purchase and .80% on the redemption. Transaction fees are retained by the Fund to cover trading costs. Returns would have been lower had certain expenses not been reimbursed during the periods shown and do not include the effect of taxes on distributions and redemptions. All information is unaudited. Performance for classes may vary due to different fees.

\* For the period from January 9, 1998 to August 12, 2009, no Class II shares were outstanding. Performance for that period is that of Class III shares, which have been adjusted downward to reflect Class II's higher gross expenses (Class II's expenses during these periods were calculated by adjusting Class III's gross expenses during such periods upward by the current differential between the gross shareholder service fees for Class II and Class III shares).

**GMO Emerging Markets Fund**  
**(A Series of GMO Trust)**  
**Investment Concentration Summary**  
**February 28, 2018 (Unaudited)**

<b>Asset Class Summary<sup>&amp;</sup></b>	<b>% of Total Net Assets</b>
Common Stocks	92.1%
Preferred Stocks	3.3
Mutual Funds	1.9
Investment Funds	1.7
Futures Contracts	0.4
Short-Term Investments	0.1
Swap Contracts	0.0 <sup>^</sup>
Rights/Warrants	0.0 <sup>^</sup>
Other	0.5
	<b>100.0%</b>

<b>Country Summary<sup>□</sup></b>	<b>% of Investments</b>
Taiwan	21.1%
China	17.8
Russia	12.3
South Korea	11.7
United States	9.2*
Thailand	8.2
Turkey	4.1
India	3.5
Brazil	2.7
Indonesia	2.1
South Africa	2.0
Greece	1.1
Mexico	0.8
Philippines	0.7
Peru	0.6
Qatar	0.6
United Arab Emirates	0.3
Czech Republic	0.3
Colombia	0.2
Poland	0.2
Vietnam	0.2
Malaysia	0.1
Hungary	0.1
Chile	0.1
Egypt	0.0 <sup>^</sup>
Pakistan	0.0 <sup>^</sup>
Sri Lanka	0.0 <sup>^</sup>
	<b>100.0%</b>

<b>Industry Group Summary</b>	<b>% of Equity Investments<sup>#</sup></b>
Banks	20.6%
Technology Hardware & Equipment	13.0
Telecommunication Services	8.3
Materials	7.2
Energy	7.1
Semiconductors & Semiconductor Equipment	6.1
Software & Services	5.7
Diversified Financials	4.3
Real Estate	4.3
Capital Goods	3.9
Insurance	3.1
Food, Beverage & Tobacco	3.0
Automobiles & Components	2.4
Consumer Durables & Apparel	2.1
Utilities	2.0
Transportation	1.8
Consumer Services	1.5
Retailing	1.4
Food & Staples Retailing	1.0
Health Care Equipment & Services	0.4
Pharmaceuticals, Biotechnology & Life Sciences	0.4
Media	0.3
Commercial & Professional Services	0.1
Household & Personal Products	0.0 <sup>^</sup>
	<b>100.0%</b>

& In the table above, derivative financial instruments, if any, are based on market values or unrealized appreciation/depreciation, in the case of forward currency contracts, rather than notional amounts.

□ The table above shows country exposure in the Fund. The table excludes short-term investments. The table excludes exposure through forward currency contracts and includes exposure through other derivative financial instruments, if any. The table takes into account the market value of securities and options and the notional amounts of swap contracts and other derivative financial instruments, if any.

\* Includes companies that derive more than 50% of their revenues or profits from emerging markets.

# Equity investments may consist of common stocks and other stock-related securities, such as preferred stocks, if any. This table excludes exposure to derivative contracts, short-term investments, mutual funds and investment funds, if any. For a summary of these exposures, if any, see the Schedule of Investments.

<sup>^</sup> Rounds to 0.0%.

**GMO Emerging Markets Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments**  
**(showing percentage of total net assets)**  
**February 28, 2018**

Shares	Description	Value (\$)	Shares	Description	Value (\$)
<b>COMMON STOCKS — 92.1%</b>			<b>China — continued</b>		
<b>Brazil — 2.3%</b>			7,520,000	Guangdong Investment Ltd	11,465,435
3,889,773	AES Tiete Energia SA	13,597,254	1,069,500	Haitian International Holdings Ltd	3,276,230
1,229,746	Banco BTG Pactual SA	8,726,277	918,637	Hangzhou Robam Appliances Co Ltd – Class A	5,877,608
306,200	B3 Sa- Brasil Bolsa Balcao	2,416,103	10,248,000	Hua Han Health Industry Holdings Ltd * (a)	680,939
717,583	BR Malls Participacoes SA	2,636,597	8,866,000	Huabao International Holdings Ltd	6,647,539
497,723	EDP – Energias do Brasil SA	2,038,780	442,612	Huayu Automotive Systems Co Ltd – Class A	1,832,713
1,204,800	Engie Brasil Energia SA	14,527,063	113,662,947	Industrial & Commercial Bank of China Ltd – Class H	96,902,168
1,510,404	JHSF Participacoes SA *	837,330	193,486	Inner Mongolia Yili Industrial Group Co Ltd – Class A	989,005
2,007,400	LPS Brasil Consultoria de Imoveis SA *	3,332,374	10,718,000	Jiangnan Group Ltd	680,574
457,750	M Dias Branco SA	8,434,871	890,000	Jiangsu Expressway Co Ltd – Class H	1,378,265
139,800	Multiplus SA	1,482,434	111,500	Jiangsu Yanghe Brewery JSC Ltd – Class A	2,067,959
11,000,435	Rumo SA *	48,244,847	411,405	Jumei International Holding Ltd ADR *	1,172,504
1,495,351	Transmissora Alianca de Energia Eletrica SA	9,441,219	137,228	Kweichow Moutai Co Ltd – Class A	15,615,219
	Total Brazil	<u>115,715,149</u>	44,731	Kweichow Moutai Co Ltd – Class A	5,089,955
<b>Chile — 0.1%</b>			1,168,555	Midea Group Co Ltd – Class A	10,092,971
162,009	Inversiones La Construccion SA	<u>3,250,141</u>	860,157	Midea Group Co Ltd – Class A	7,429,295
<b>China — 18.7%</b>			334,090	Minth Group Ltd	1,960,572
3,288,000	361 Degrees International Ltd	1,198,082	35,100	New Oriental Education & Technology Group Inc Sponsored ADR	3,207,789
113,125,990	Agricultural Bank of China Ltd – Class H	62,157,122	1,625,000	PAX Global Technology Ltd	805,779
3,442,757	Aier Eye Hospital Group Co Ltd – Class A	19,731,141	20,304,000	PICC Property & Casualty Co Ltd – Class H	39,823,767
383,372	Alibaba Group Holding Ltd Sponsored ADR *	71,360,864	979,000	Ping An Insurance Group Co of China Ltd – Class H	10,312,104
510,900	Anhui Conch Cement Co Ltd – Class H	2,714,430	772,142	Qingdao Haier Co Ltd – Class A	2,375,246
956,000	Anhui Expressway Co Ltd – Class H	748,787	4,816,400	Qingling Motors Co Ltd – Class H	1,544,047
121,998,682	Bank of China Ltd – Class H	65,607,415	2,227,600	SAIC Motor Corp Ltd – Class A	11,809,391
1,802,000	Baoye Group Co Ltd – Class H *	1,166,830	1,066,000	Shenzhen Investment Ltd	442,090
448,400	Changyou.com Ltd ADR *	12,689,720	3,453,500	Sinopec Engineering Group Co Ltd – Class H	3,346,682
15,116,560	China Communications Services Corp Ltd – Class H	8,936,288	112,936	TAL Education Group ADR	4,264,463
139,472,606	China Construction Bank Corp – Class H	143,002,987	1,937,565	Tencent Holdings Ltd	106,001,305
1,665,700	China International Capital Corp Ltd – Class H	3,231,653	261,000	Vipshop Holdings Ltd ADR *	4,538,790
2,127,368	China International Travel Service Corp Ltd – Class A	17,491,660	32,956,000	Want Want China Holdings Ltd	27,668,486
22,400	China Lodging Group Ltd Sponsored ADR	3,402,560	63,900	Weibo Corp Sponsored ADR *	8,212,428
23,466,000	China Machinery Engineering Corp – Class H	14,154,932	365,729	Wuliangye Yibin Co Ltd – Class A	4,253,580
2,140,808	China Merchants Bank Co Ltd – Class H	8,925,279	150,400	Wuxi Little Swan Co Ltd – Class A	1,657,453
6,532,337	China Mobile Ltd	60,835,835	7,974,000	Xtep International Holdings Ltd	3,526,081
291,600	China Mobile Ltd Sponsored ADR	13,556,484	2,402,200	Yangzijiang Shipbuilding Holdings Ltd	2,710,853
828,000	China Overseas Land & Investment Ltd	2,876,930	8,976,000	Zhejiang Expressway Co Ltd – Class H	9,758,805
2,986,000	China Petroleum & Chemical Corp – Class H	2,369,901	797,045	Zhejiang Supor Cookware Co Ltd – Class A	5,510,337
1,649,000	China Power International Development Ltd	413,770		Total China	<u>956,555,129</u>
490,000	China Resources Land Ltd	1,731,066	<b>Czech Republic — 0.3%</b>		
334,500	China Shenhua Energy Co Ltd – Class H	946,736	2,197,267	Moneta Money Bank AS	8,864,524
589,200	China Vanke Co Ltd – Class H	2,614,130	6,011	Philip Morris CR AS	4,878,541
231,100	Foshan Haitian Flavouring & Food Co Ltd – Class A	2,023,261		Total Czech Republic	<u>13,743,065</u>
725,600	Gree Electric Appliances Inc of Zhuhai – Class A	5,888,365			
2,558,000	Greentown Service Group Co Ltd	1,850,474			

See accompanying notes to the financial statements.

**GMO Emerging Markets Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments — (Continued)**  
**(showing percentage of total net assets)**  
**February 28, 2018**

Shares	Description	Value (\$)	Shares	Description	Value (\$)
<b>Egypt — 0.0%</b>			<b>India — continued</b>		
2,296,865	Alexandria Mineral Oils Co	1,167,738	2,004,223	Wipro Ltd	8,962,360
260,839	Commercial International Bank Egypt SAE	1,138,510	640,800	Wipro Ltd ADR	3,530,808
	Total Egypt	2,306,248		Total India	190,149,291
<b>Greece — 1.1%</b>			<b>Indonesia — 2.2%</b>		
6,008,655	Alpha Bank AE *	14,266,106	3,110,200	Adaro Energy Tbk PT	528,780
14,057,681	Eurobank Ergasias SA *	14,103,953	12,828,600	Astra International Tbk PT	7,503,493
35,399,812	National Bank of Greece SA *	12,988,335	8,213,500	Bank Central Asia Tbk PT	13,822,992
3,679,377	Piraeus Bank SA *	16,065,942	19,377,900	Bank Mandiri Persero Tbk PT	11,656,612
	Total Greece	57,424,336	8,365,300	Bank Negara Indonesia Persero Tbk PT	5,907,324
<b>Hungary — 0.1%</b>			80,850,800	Bank Pembangunan Daerah Jawa Timur Tbk PT	4,343,323
100,351	OTP Bank Plc	4,471,029	78,002,300	Bank Rakyat Indonesia Persero Tbk PT	21,476,012
<b>India — 3.7%</b>			12,223,100	Bank Tabungan Negara Persero Tbk PT	3,304,108
317,300	Action Construction Equipment Ltd	904,458	7,310,191	Indo Tambangraya Megah Tbk PT	16,341,552
125,042	Asian Granito India Ltd	933,606	25,560,700	Lippo Karawaci Tbk PT	957,147
1,070,235	Aurobindo Pharma Ltd	10,029,092	12,048,200	Malindo Feedmill Tbk PT	630,637
14,320	BLS International Services Ltd	37,534	155,826,700	Panin Financial Tbk PT *	3,113,283
122,465	Bombay Burmah Trading Co	2,657,840	22,806,700	Summarecon Agung Tbk PT	1,834,737
202,610	CCL Products India Ltd	918,604	55,836,241	Telekomunikasi Indonesia Persero Tbk PT	16,169,146
293,346	CMI Ltd	1,132,870	116,300	Telekomunikasi Indonesia Persero Tbk PT Sponsored ADR	3,376,189
200,375	Coal India Ltd	951,473	580,000	United Tractors Tbk PT	1,493,809
574,247	Divi's Laboratories Ltd	9,011,413		Total Indonesia	112,459,144
38,430	Dixon Technologies India Ltd *	2,027,080	<b>Malaysia — 0.2%</b>		
101,163	Dollar Industries Ltd	703,772	2,566,704	AirAsia Berhad	2,865,368
569,766	Edelweiss Financial Services Ltd	2,332,820	2,806,800	Berjaya Sports Toto Berhad	1,610,361
16,772,852	Gayatri Highways Ltd * (a) (b)	1,802,252	6,070,888	KSL Holdings Berhad *	1,578,106
16,772,852	Gayatri Projects Ltd * (b)	54,213,078	3,329,467	UOA Development Berhad	2,207,354
289,390	HDFC Bank Ltd (c)	8,512,428		Total Malaysia	8,261,189
146,657	Hero MotoCorp Ltd	8,046,255	<b>Mexico — 0.8%</b>		
6,258,236	Himachal Futuristic Communications Ltd *	2,839,487	1,613,665	Banco Santander Mexico -B SA Institucion de Banca Multiple Grupo Financiero Santand	2,277,886
175,992	Hindustan Zinc Ltd	873,372	20,600	Banco Santander Mexico SA Institucion de Banca Multiple Grupo Financiero Santand ADR	145,642
263,777	Indiabulls Real Estate Ltd *	865,605	3,352,964	Cemex SAB de CV CPO *	2,212,702
884,400	Infosys Ltd Sponsored ADR	15,618,504	3,117,848	Cemex SAB de CV Sponsored ADR *	20,421,904
3,013,682	Jai Balaji Industries Ltd *	647,854	1,881,800	Corp Inmobiliaria Vesta SAB de CV	2,587,511
1,322,083	Kiri Industries Ltd *	10,209,105	2,635,700	Gentera SAB de CV	2,154,628
193,392	Mahindra & Mahindra Financial Services Ltd	1,281,432	118,100	Grupo Aeroportuario del Centro Norte SAB de CV	577,636
252,274	Mphasis Ltd	3,322,319	11,300	Grupo Aeroportuario del Centro Norte SAB de CV ADR	442,508
383,478	Muthoot Finance Ltd	2,293,197	365,600	Kimberly-Clark de Mexico SAB de CV – Class A	664,457
151,676	Navin Fluorine International Ltd	1,869,432	75,070	Promotora y Operadora de Infraestructura SAB de CV	767,201
152,116	NIIT Technologies Ltd	1,937,151	4,426,400	Wal-Mart de Mexico SAB de CV	10,360,002
264,774	PC Jeweller Ltd	1,343,968		Total Mexico	42,612,077
528,333	Sangam India Ltd	1,169,670			
7,084	Shree Cement Ltd	1,805,507			
253,494	Srikalahasthi Pipes Ltd	1,340,069			
176,187	Sun TV Network Ltd	2,493,850			
469,712	Tata Consultancy Services Ltd	21,796,081			
64,136	V-Mart Retail Ltd	1,582,843			
61,615	Vakrangee Ltd	152,102			

**GMO Emerging Markets Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments — (Continued)**  
**(showing percentage of total net assets)**  
**February 28, 2018**

Shares	Description	Value (\$)
<b>Pakistan — 0.0%</b>		
158,300	Engro Corp Ltd	431,081
306,400	Oil & Gas Development Co Ltd	451,957
	Total Pakistan	883,038
<b>Peru — 0.7%</b>		
159,700	Credicorp Ltd	34,567,065
<b>Philippines — 0.8%</b>		
1,141,880	Bank of the Philippine Islands	2,625,195
1,701,224	BDO Unibank Inc	5,069,848
4,697,400	Century Pacific Food Inc	1,464,543
3,020,358	Concepcion Industrial Corp	3,727,227
3,146,277	First Gen Corp	875,659
976,590	Manila Electric Co	6,309,850
6,978,800	Manila Water Co Inc	3,480,406
18,500,000	Megaworld Corp	1,720,284
1,226,643	Philippine Seven Corp	2,767,457
4,592,648	Puregold Price Club Inc	4,571,758
2,039,633	Robinsons Retail Holdings Inc	3,726,705
5,170,580	Semirara Mining & Power Corp	3,654,984
	Total Philippines	39,993,916
<b>Poland — 0.2%</b>		
118,813	Bank Pekao SA	4,564,572
7,513	KRUK SA	463,540
53,088	Polski Koncern Naftowy ORLEN SA	1,484,326
354,896	Polskie Gornictwo Naftowe i Gazownictwo SA	625,351
170,307	Powszechny Zaklad Ubezpieczen SA	2,112,968
	Total Poland	9,250,757
<b>Qatar — 0.6%</b>		
710,782	Barwa Real Estate Co	6,564,857
245,915	Doha Bank QPSC	2,198,773
15,134	Industries Qatar QSC	426,781
334,279	Masraf Al Rayan QSC	3,455,782
42,017	Ooredoo QPSC	1,000,606
30,320	Qatar Electricity & Water Co QSC	1,428,491
54,295	Qatar Insurance Co SAQ	577,844
57,628	Qatar International Islamic Bank QSC	947,183
82,590	Qatar Islamic Bank SAQ	2,180,381
309,754	Qatar National Bank QPSC	10,152,686
32,828	Qatar Navigation QSC	561,111
187,024	United Development Co QSC	845,511
	Total Qatar	30,340,006
<b>Russia — 12.8%</b>		
4,799,800	Aeroflot PJSC	12,019,331
15,529,800	Alrosa PJSC	23,638,164
224,540	Gazprom Neft PJSC	1,126,876
4,516	Gazprom Neft PJSC Sponsored ADR	113,697
16,892,141	Gazprom PJSC Sponsored ADR	83,437,261

Shares	Description	Value (\$)
<b>Russia — continued</b>		
682,419	Globaltrans Investment Plc Sponsored GDR (Registered)	7,505,256
26,914,000	Inter RAO UES PJSC	1,762,616
908,547	LUKOIL PJSC Sponsored ADR	60,203,227
583,957	M.Video PJSC *	4,271,018
380,379	Magnit PJSC Sponsored GDR (Registered)	7,839,917
2,119,500	Magnitogorsk Iron & Steel OJSC	1,784,660
5,587	Magnitogorsk Iron & Steel Works PJSC Sponsored GDR (Registered)	60,312
2,553,692	MegaFon PJSC GDR (Registered)	27,079,753
3,183,264	MMC Norilsk Nickel PJSC ADR	63,182,398
7,315,515	Mobile TeleSystems PJSC Sponsored ADR	87,493,559
10,958,457	Moscow Exchange MICEX-RTS PJSC	21,596,929
258,486	Novatek PJSC Sponsered GDR (Registered)	35,095,490
787,300	Novolipetsk Steel PJSC	2,027,850
646,952	Novolipetsk Steel PJSC GDR	16,817,777
25,837	PhosAgro PJSC GDR (Registered)	392,517
30,218	Polyus PJSC	2,479,695
127,488	Polyus PJSC GDR (Registered)	5,096,989
524,433	QIWI Plc Sponsored ADR	8,820,963
7,636,345	Rostelecom PJSC	9,176,420
33,228	Rostelecom PJSC Sponsored ADR	236,461
5,650,902	Sberbank of Russia Sponsored ADR	114,431,218
484,034	Severstal PJSC GDR (Registered)	7,840,893
403,956	Sistema PJSC Sponsered GDR (Registered)	1,732,293
3,682,846	Surgutneftegas OJSC Sponsored ADR	18,201,417
290,768	Tatneft PJSC Sponsored ADR	18,193,273
114,250	TCS Group Holding Plc GDR (Registered)	2,629,885
117,300	Yandex NV – Class A *	4,819,857
	Total Russia	651,107,972
<b>South Africa — 2.2%</b>		
393,879	AECI Ltd	3,788,720
1,148,595	Barloworld Ltd	17,171,711
306,125	Brait SE *	1,163,981
3,107,975	FirstRand Ltd	19,294,117
182,697	Hyprop Investments Ltd (REIT)	1,670,627
494,786	Kumba Iron Ore Ltd	14,548,030
1,383,275	Lewis Group Ltd	4,725,454
101,427	Liberty Holdings Ltd	1,154,220
627,729	Mr Price Group Ltd	14,964,295
4,778,577	Murray & Roberts Holdings Ltd	4,556,387
6,561	Naspers Ltd – N Shares	1,780,996
60,391	Nedbank Group Ltd	1,465,269
105,500	Net 1 UEPS Technologies, Inc. *	1,081,375
365,461	RMB Holdings Ltd	2,681,937
1,434,822	SA Corporate Real Estate Ltd	564,574
154,115	Sanlam Ltd	1,175,263
81,351	Standard Bank Group Ltd	1,491,846
649,884	Truworths International Ltd	5,530,893
152,376	Vodacom Group Ltd	2,092,502

See accompanying notes to the financial statements.

**GMO Emerging Markets Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments — (Continued)**  
**(showing percentage of total net assets)**  
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<b>Shares</b>	<b>Description</b>	<b>Value (\$)</b>	<b>Shares</b>	<b>Description</b>	<b>Value (\$)</b>
<b>South Africa — continued</b>			<b>South Korea — continued</b>		
607,391	Wilson Bayly Holmes-Ovcon Ltd	8,849,419	61,094	Samsung Fire & Marine Insurance Co Ltd	16,310,733
240,142	Woolworths Holdings Ltd	1,323,476	7,274	Samsung SDS Co Ltd	1,589,983
	Total South Africa	111,075,092	48,042	Samsung Securities Co Ltd	1,749,073
<b>South Korea — 9.9%</b>			441,768	Seoyon E-Hwa Co Ltd	4,074,702
28,539	Aekyung Petrochemical Co Ltd	476,027	185,984	Shinhan Financial Group Co Ltd	8,083,159
2,870,108	BNK Financial Group Inc	29,593,956	43,834	Sindoh Co Ltd	2,692,675
42,576	Com2uSCorp	6,382,599	30,985	SK Innovation Co Ltd	5,833,099
7,393	Cuckoo Electronics Co Ltd	666,753	54,743	SK Telecom Co Ltd	12,083,044
370,130	Daou Data Corp	4,487,285	202,900	SK Telecom Co Ltd Sponsored ADR	4,940,615
604,801	Daou Technology Inc	12,954,676	30,627	SL Corp	679,093
455,805	DB Insurance Co Ltd	29,132,236	29,318	Spigen Korea Co Ltd	1,329,640
29,471	Dong Ah Tire & Rubber Co Ltd	1,028,067	758,990	Woori Bank	11,583,454
1,543,047	Dongwon Development Co Ltd	6,674,093		Total South Korea	507,486,754
1,119,146	Grand Korea Leisure Co Ltd	23,943,603	<b>Sri Lanka — 0.0%</b>		
73,427	GS Home Shopping Inc	13,662,821	103,983,101	Anilana Hotels & Properties Ltd * (b)	788,630
57,544	GS Retail Co Ltd	1,913,574	<b>Taiwan — 22.1%</b>		
102,849	Han Kuk Carbon Co Ltd	612,375	12,073,000	AcBel Polytech Inc	8,804,147
2,259	Hankook Shell Oil Co Ltd	754,215	1,342,000	Actron Technology Corp	4,868,899
188,805	Hankook Tire Co Ltd	10,311,311	1,115,000	Advanced Semiconductor Engineering Inc	1,500,358
792,553	Hankook Tire Worldwide Co Ltd	14,552,487	1,416,532	Advantech Co Ltd	10,416,559
163,229	Hanon Systems	1,885,624	906,000	Alpha Networks Inc	762,002
86,595	Hansol Paper Co Ltd	1,327,542	13,928,940	AmTRAN Technology Co Ltd	8,053,636
265,057	Hyundai Engineering & Construction Co Ltd	9,426,936	6,553,620	Asustek Computer Inc	61,908,406
128,456	Hyundai Home Shopping Network Corp	13,085,476	272,200	Aurora Corp	852,655
486,003	Hyundai Hy Communications & Network Co Ltd	2,041,857	3,989,000	Catcher Technology Co Ltd	47,330,206
537,463	Hyundai Marine & Fire Insurance Co Ltd	20,464,305	10,959,000	Cathay Financial Holding Co Ltd	20,057,016
107,038	Hyundai Mobis Co Ltd	22,524,610	9,043,000	Chailease Holding Co Ltd	29,930,214
69,817	iMarketKorea Inc	662,801	280,000	Chaun-Choung Technology Corp	886,529
86,816	Innocean Worldwide Inc	5,195,216	6,057,200	Cheng Shin Rubber Industry Co Ltd	10,381,276
668,849	Kangwon Land Inc	17,834,540	812,855	Chicony Electronics Co Ltd	1,986,367
58,609	KEPCO Plant Service & Engineering Co Ltd	2,187,131	488,800	Chicony Power Technology Co Ltd	990,353
803,740	Kia Motors Corp	25,519,414	4,699,100	Chin-Poon Industrial Co Ltd	8,746,428
81,828	KISCO Corp	2,787,882	2,050,190	China Life Insurance Co Ltd	2,039,293
3,094	KIWOOM Securities Co Ltd	282,307	1,265,000	China Motor Corp	1,158,459
707,382	Korea Asset In Trust Co Ltd	4,442,692	1,202,000	Chipbond Technology Corp	2,760,020
31,079	Korea Zinc Co Ltd	14,666,681	187,000	Chlitina Holding Ltd	935,634
285,879	KT Skylife Co Ltd	3,433,972	10,268,259	Chunghwa Telecom Co Ltd	38,440,890
427,386	KT&G Corp	39,413,077	128,421	Chunghwa Telecom Co Ltd Sponsored ADR	4,752,861
232,738	Kyobo Securities Co Ltd	2,240,188	330,000	Cleanaway Co Ltd	1,990,698
214,060	LF Corp	5,759,682	26,400,611	Compal Electronics Inc	17,926,125
23,818	LOTTE Himart Co Ltd	1,540,513	4,944,400	Coretronic Corp	7,549,772
101,257	Maeil Holdings Co Ltd	1,396,473	46,677,720	CTBC Financial Holding Co Ltd	33,738,831
177,915	Meritz Financial Group Inc	2,576,361	3,222,000	CTCI Corp	4,943,759
147,865	Meritz Fire & Marine Insurance Co Ltd	3,114,540	237,000	Delta Electronics Inc	1,106,396
1,433,382	Meritz Securities Co Ltd	6,438,394	1,997,000	Dynapack International Technology Corp	2,869,296
21,818	S&T Motiv Co Ltd	893,581	424,000	Elite Advanced Laser Corp	1,745,757
157,929	Samsung Card Co Ltd	5,303,388	955,000	Everlight Electronics Co Ltd	1,495,665
21,838	Samsung Electronics Co Ltd	47,455,482	8,852,084	Far EastOne Telecommunications Co Ltd	22,414,048
14,427	Samsung Electronics Co Ltd GDR	15,490,741	3,822,000	Farglory Land Development Co Ltd	4,227,789

**GMO Emerging Markets Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments — (Continued)**  
**(showing percentage of total net assets)**  
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Shares	Description	Value (\$)	Shares	Description	Value (\$)
<b>Taiwan — continued</b>			<b>Taiwan — continued</b>		
435,000	Formosa Advanced Technologies Co Ltd	445,434	605,000	Taiwan Cement Corp	760,764
936,000	Formosa Chemicals & Fibre Corp	3,429,431	1,260,000	Taiwan Fertilizer Co Ltd	1,667,742
375,000	Formosa Petrochemical Corp	1,478,103	636,000	Taiwan Mobile Co Ltd	2,329,908
2,380,000	Formosa Plastics Corp	8,336,071	822,000	Taiwan PCB Techvest Co Ltd	838,076
3,193,303	Formosan Rubber Group Inc	1,678,322	478,000	Taiwan Semiconductor Co Ltd	1,146,891
14,367,075	Foxconn Technology Co Ltd	38,351,493	9,195,000	Taiwan Semiconductor Manufacturing Co Ltd	76,351,550
28,195,460	Fubon Financial Holding Co Ltd	49,624,597	2,535,120	Taiwan Semiconductor Manufacturing Co Ltd Sponsored ADR	109,897,452
7,737,200	Gigabyte Technology Co Ltd	18,076,376	3,805,269	Taiwan Surface Mounting Technology Corp	3,804,956
539,000	Greattek Electronics Inc	1,033,998	966,000	Teco Electric and Machinery Co Ltd	866,651
1,723,700	Green Seal Holding Ltd	3,424,848	1,370,000	Test Research Inc	2,582,666
10,202,754	Highwealth Construction Corp	15,280,593	628,000	Tong Hsing Electronic Industries Ltd	2,408,501
2,198,000	Holtek Semiconductor Inc	5,982,616	687,981	Topco Scientific Co Ltd	1,929,333
16,380,250	Hon Hai Precision Industry Co Ltd	48,266,285	1,270,000	Transcend Information Inc	3,657,237
2,594,000	Huaku Development Co Ltd	6,359,972	3,026,160	Tripod Technology Corp	9,906,210
3,266,900	IEI Integration Corp	4,536,991	2,051,000	TXC Corp	2,752,989
4,603,700	Inventec Corp	3,625,757	8,042,112	Uni-President Enterprises Corp	18,828,972
124,000	Iron Force Industrial Co Ltd	422,424	5,256,000	United Integrated Services Co Ltd	10,349,796
958,000	ITEQ Corp	2,459,728	1,058,641	Wistron NeWeb Corp	2,929,578
618,000	Kenda Rubber Industrial Co Ltd	765,128	636,000	Xxentria Technology Materials Corp	1,367,330
36,000	King Slide Works Co Ltd	522,547	5,641,000	Yuanta Financial Holding Co Ltd	2,502,326
831,000	King's Town Bank Co Ltd	1,117,068	2,006,000	Yulon Motor Co Ltd	1,596,468
235,000	Kung Long Batteries Industrial Co Ltd	1,143,271	3,951,670	Yungtay Engineering Co Ltd	7,997,682
32,521,141	Lite-On Technology Corp	45,958,546	279,000	Zeng Hsing Industrial Co Ltd	1,202,516
206,000	Lotes Co Ltd	1,385,736		<b>Total Taiwan</b>	<b>1,129,242,719</b>
923,785	Makalot Industrial Co Ltd	4,287,416		<b>Thailand — 8.5%</b>	
750,667	Mercuries Life Insurance Co Ltd	405,524	8,758,700	Advanced Info Service Pcl (Foreign Registered)	55,111,511
405,000	Merida Industry Co Ltd	1,761,999	8,823,200	Amata Corp Pcl (Foreign Registered)	7,063,763
1,334,600	MIN AIK Technology Co Ltd	1,091,720	9,728,000	AP Thailand Pcl (Foreign Registered)	2,593,904
1,744,000	Nan Ya Plastics Corp	4,760,013	590,700	Bangkok Bank Pcl (Foreign Registered) <sup>(c)</sup>	4,309,021
54,000	Nien Made Enterprise Co Ltd	526,137	1,466,600	Bangkok Bank Pcl NVDR	9,815,050
3,789,810	Novatek Microelectronics Corp	16,319,793	7,727,600	Central Pattana Pcl (Foreign Registered)	20,707,463
1,589,853	OptoTech Corp	1,247,273	2,250,200	Delta Electronics Thailand Pcl (Foreign Registered) *	4,863,603
15,963,470	Pegatron Corp	40,134,494	1,889,200	Eastern Polymer Group Pcl (Foreign Registered)	436,943
9,470,000	Pou Chen Corp	11,800,866	4,420,901	Glow Energy Pcl (Foreign Registered)	11,895,802
104,000	President Chain Store Corp	1,037,518	4,201,300	Hana Microelectronics Pcl (Foreign Registered)	5,503,855
9,734,850	Quanta Computer Inc	19,731,787	5,672,900	Intouch Holdings Pcl (Foreign Registered) <sup>(c)</sup>	10,721,488
1,100,000	Quanta Storage Inc	1,060,959	6,452,800	Intouch Holdings Pcl NVDR	11,683,034
12,677,870	Radiant Opto-Electronics Corp	35,181,968	9,034,600	Jasmine International Pcl (Foreign Registered)	1,979,709
5,622,720	Realtek Semiconductor Corp	21,872,895	3,305,100	Kasikornbank Pcl NVDR	24,290,710
1,317,000	Rechi Precision Co Ltd	1,344,488	2,475,800	Kiatnakin Bank Pcl (Foreign Registered)	6,129,436
3,417,151	Ruentex Development Co Ltd *	3,710,896	29,062,200	Krung Thai Bank Pcl (Foreign Registered)	18,712,281
12,002,000	Ruentex Industries Ltd *	20,904,406	38,800,000	Land & Houses PCL (Foreign Registered)	13,602,527
1,563,000	Sercomm Corp	4,492,102	18,678,450	LPN Development Pcl (Foreign Registered)	6,123,455
198,000	Shin Zu Shing Co Ltd	607,383	4,006,100	MC Group Pcl (Foreign Registered)	1,639,988
807,000	ShunSin Technology Holding Ltd	3,643,972	2,987,500	Platinum Group PCL (The)	829,972
543,000	Sigurd Microelectronics Corp	672,601	4,746,900	Pruksa Holding Pcl (Foreign Registered)	3,559,554
2,680,068	Simplo Technology Co Ltd	16,802,757	3,423,900	PTT Exploration & Production Pcl (Foreign Registered)	12,471,146
633,000	Sinbon Electronics Co Ltd	1,724,390			
2,518,200	Sitronix Technology Corp	7,176,391			
294,000	Soft-World International Corp	655,954			
38,000	St Shine Optical Co Ltd	1,158,143			
2,835,000	Syncmold Enterprise Corp	6,177,601			

See accompanying notes to the financial statements.

**GMO Emerging Markets Fund**  
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**Schedule of Investments — (Continued)**  
**(showing percentage of total net assets)**  
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Shares	Description	Value (\$)
<b>Thailand — continued</b>		
9,029,200	PTT Global Chemical Pcl (Foreign Registered)	28,380,916
2,176,500	PTT Pcl (Foreign Registered)	39,044,296
77,182,792	Quality Houses Pcl (Foreign Registered)	7,318,252
5,328,402	Ratchaburi Electricity Generating Holding Pcl (Foreign Registered)	9,027,704
75,602,123	Sansiri Pcl (Foreign Registered)	4,645,448
2,617,700	Siam Cement Pcl (The) (Foreign Registered)	40,768,578
5,315,900	Siam Commercial Bank Pcl (The) (Foreign Registered)	25,096,034
16,972,100	Star Petroleum Refining Pcl (Foreign Registered)	9,526,300
7,865,200	STP & I Pcl (Foreign Registered)	1,260,803
7,391,000	Supalai Pcl (Foreign Registered)	5,418,260
4,206,700	Thai Beverage Pcl	2,648,594
2,487,500	Thai Oil Pcl (Foreign Registered)	8,132,698
1,874,000	Thai Vegetable Oil Pcl (Foreign Registered)	1,875,964
859,600	Thanachart Capital Pcl (Foreign Registered)	1,521,636
1,721,000	Tipco Asphalt PCL (Foreign Registered)	1,087,905
1,477,500	Tisco Financial Group Pcl (Foreign Registered)	4,147,875
28,184,650	TTW Pcl (Foreign Registered)	11,937,241
	Total Thailand	<u>435,882,719</u>
<b>Turkey — 4.3%</b>		
3,041,306	Adana Cimento Sanayii TAS – Class C	830,046
1,890,565	Akbank Turk AS	5,251,682
701,752	BIM Birlesik Magazalar AS	13,821,756
65,950,739	Emlak Konut Gayrimenkul Yatirim Ortakligi AS (REIT) *	45,606,441
2,853,527	Enka Insaat ve Sanayi AS	4,118,896
8,712,567	Eregli Demir ve Celik Fabrikalari TAS	25,914,177
2,792,161	Haci Omer Sabanci Holding AS	7,856,340
8,213,630	Ipek Dogal Enerji Kaynaklari Arastirma Ve Uretim AS *	10,774,895
116,724	Otokar Otomotiv Ve Savunma Sanayi AS	3,632,147
12,152,990	Soda Sanayii AS	16,154,794
138,158	TAV Havalimanlari Holding AS	839,570
660,758	Tekfen Holding AS	3,141,257
149,093	Tupras Turkiye Petrol Rafineriler AS	4,575,835
14,597	Turk Traktor ve Ziraat Makineleri AS	296,612
12,087,306	Turkiye Garanti Bankasi AS	37,138,592
8,210,813	Turkiye Halk Bankasi AS	20,722,092
3,054,376	Turkiye Is Bankasi – Class C	6,061,496
10,716,685	Turkiye Sinai Kalkinma Bankasi AS	4,761,010
2,197,252	Turkiye Vakiflar Bankasi TAO – Class D	4,225,942
2,185,049	Yapi ve Kredi Bankasi AS *	2,722,654
	Total Turkey	<u>218,446,234</u>
<b>United Arab Emirates — 0.3%</b>		
2,776,178	Aldar Properties PJSC	1,628,079
12,253,240	DAMAC Properties Dubai Co PJSC	9,989,158
538,550	Emirates Telecommunications Group Co PJSC	2,518,844

Shares	Description	Value (\$)
<b>United Arab Emirates — continued</b>		
8,006,860	RAK Properties PJSC	1,770,791
	Total United Arab Emirates	<u>15,906,872</u>
<b>Vietnam — 0.2%</b>		
1,715,690	Ho Chi Minh City Development Joint Stock Commercial Bank *	3,347,394
680,510	Vietnam Dairy Products JSC	5,854,640
	Total Vietnam	<u>9,202,034</u>
<b>TOTAL COMMON STOCKS (COST \$3,997,264,301)</b>		
		<u>4,701,120,606</u>
<b>PREFERRED STOCKS <sup>(d)</sup> — 3.3%</b>		
<b>Brazil — 0.5%</b>		
1,392,740	Itau Unibanco Holding SA	21,610,226
1,086,600	Randon SA Implementos e Participacoes	3,098,930
133,681	Telefonica Brasil SA	2,085,356
	Total Brazil	<u>26,794,512</u>
<b>Colombia — 0.2%</b>		
220,700	Bancolombia SA Sponsored ADR	9,309,126
1,227,847	Grupo Aval Acciones y Valores SA	531,345
	Total Colombia	<u>9,840,471</u>
<b>Russia — 0.2%</b>		
98,616	Bashneft PJSC *	2,817,826
22	Surgutneftegas OJSC *	11
1,787	Transneft PJSC	5,840,195
	Total Russia	<u>8,658,032</u>
<b>South Korea — 2.4%</b>		
64,939	Samsung Electronics Co Ltd	119,292,406
<b>Taiwan — 0.0%</b>		
605,412	CTBC Financial Holding Co Ltd *	1,260,778
<b>TOTAL PREFERRED STOCKS (COST \$117,692,400)</b>		
		<u>165,846,199</u>
<b>INVESTMENT FUNDS — 1.7%</b>		
<b>India — 0.0%</b>		
1,371,900	TDA India Technology Fund II LP <sup>(e) (f)</sup>	98,736
<b>Russia — 0.1%</b>		
5,431,855	NCH Eagle Fund LP <sup>(e) (f)</sup>	2,704,993



**GMO Emerging Markets Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments — (Continued)**  
**(showing percentage of total net assets)**  
**February 28, 2018**

Shares	Description	Value (\$)
<b>Thailand — 0.1%</b>		
9,523,700	Digital Telecommunication Infrastructure Fund	<u>4,400,661</u>
<b>United States — 1.5%</b>		
1,671,099	iShares MSCI Emerging Markets ETF	<u>80,246,174</u>
TOTAL INVESTMENT FUNDS (COST \$88,049,223)		<u>87,450,564</u>
<b>RIGHTS/WARRANTS — 0.0%</b>		
<b>Thailand — 0.0%</b>		
689,175	Supalai Public Co Rights, Expires 10/19/18 *	<u>423,736</u>
TOTAL RIGHTS/WARRANTS (COST \$0)		<u>423,736</u>
<b>MUTUAL FUNDS — 1.9%</b>		
<b>United States — 1.9%</b>		
<b>Affiliated Issuers — 1.9%</b>		
3,909,508	GMO U.S. Treasury Fund	<u>97,620,412</u>
TOTAL MUTUAL FUNDS (COST \$97,625,430)		<u>97,620,412</u>

Shares	Description	Value (\$)
<b>SHORT-TERM INVESTMENTS — 0.1%</b>		
<b>Money Market Fund — 0.1%</b>		
4,470,406	State Street Institutional Treasury Money Market Fund-Premier Class, 1.33% (g)	<u>4,470,406</u>
TOTAL SHORT-TERM INVESTMENTS (COST \$4,470,406)		<u>4,470,406</u>
<b>TOTAL INVESTMENTS — 99.1%</b>		
(Cost \$4,305,101,760)		<b>5,056,931,923</b>
Other Assets and Liabilities (net) — 0.9%		<u>45,105,114</u>
<b>TOTAL NET ASSETS — 100.0%</b>		<b><u>\$5,102,037,037</u></b>

Additional information on each restricted security is as follows:

Issuer Description	Acquisition Date	Acquisition Cost	Value as a Percentage of Fund's Net Assets	Value as of February 28, 2018
NCH Eagle Fund LP	4/6/09	\$5,452,004	0.05%	\$ 2,704,993
TDA India Technology Fund II LP	2/3/00-3/23/04	—	0.00%	<u>98,736</u>
				<u>\$ 2,803,729</u>

A summary of outstanding financial instruments at February 28, 2018 is as follows:

**Futures Contracts**

Number of Contracts +	Type	Expiration Date	Notional Amount	Value/Net Unrealized Appreciation (Depreciation)
Buys 5,320	Mini MSCI Emerging Markets	March 2018	<u>\$314,678,000</u>	<u>\$17,822,856</u>

+ Buys - Fund is long the futures contract.  
Sales - Fund is short the futures contract.

**GMO Emerging Markets Fund**  
(A Series of GMO Trust)

**Schedule of Investments — (Continued)**  
**February 28, 2018**

**Swap Contracts**

**OTC Total Return Swaps**

<u>Fund Pays</u>	<u>Fund Receives</u>	<u>Counterparty</u>	<u>Notional Amount</u>	<u>Expiration Date</u>	<u>Periodic Payment Frequency</u>	<u>Premiums Paid/ (Received) (\$)</u>	<u>Value (\$)</u>	<u>Net Unrealized Appreciation/ (Depreciation) (\$)</u>
Depreciation of Total Return on Asustek Computer Inc + (Daily Fed Funds Rate minus 0.25%)	Appreciation of Total Return on Asustek Computer Inc	MSCI	USD 24,649,248	03/21/2018	At Maturity	—	435,941	435,941
						\$—	\$435,941	\$435,941
						<u>—</u>	<u>435,941</u>	<u>435,941</u>

As of February 28, 2018, for the above contracts and/or agreements, the Fund had sufficient cash and/or securities to cover commitments or collateral requirements, if any, of the relevant broker or exchange.

**Notes to Schedule of Investments:**

- \* Non-income producing security.
- (a) Investment valued using significant unobservable inputs (Note 2).
- (b) Affiliated company (Note 10).
- (c) Security valued at the local price and adjusted by applying a premium or discount since holding exceeds foreign ownership limits.
- (d) Preferred dividend rates are disclosed to the extent that a stated rate exists.
- (e) Investment valued at fair value using methods determined in good faith by the Trustees of GMO Trust or persons acting at their direction pursuant to procedures approved by the Trustees. Investment valued using significant unobservable inputs (Note 2).
- (f) Private placement security; restricted as to resale.
- (g) The rate disclosed is the 7 day net yield as of February 28, 2018.

For a listing of definitions of acronyms, counterparty abbreviations and currency abbreviations used throughout the Schedule of Investments as well as the derivative tables, if any, please refer to page 83.

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## **GMO Foreign Small Companies Fund** **(A Series of GMO Trust)**

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### **Portfolio Management**

Day-to-day management of the Fund's portfolio was the responsibility of the International Active team and transitioned to the Global Equity team as of June 30, 2017, both at Grantham, Mayo, Van Otterloo & Co. LLC.

### **Management Discussion and Analysis of Fund Performance**

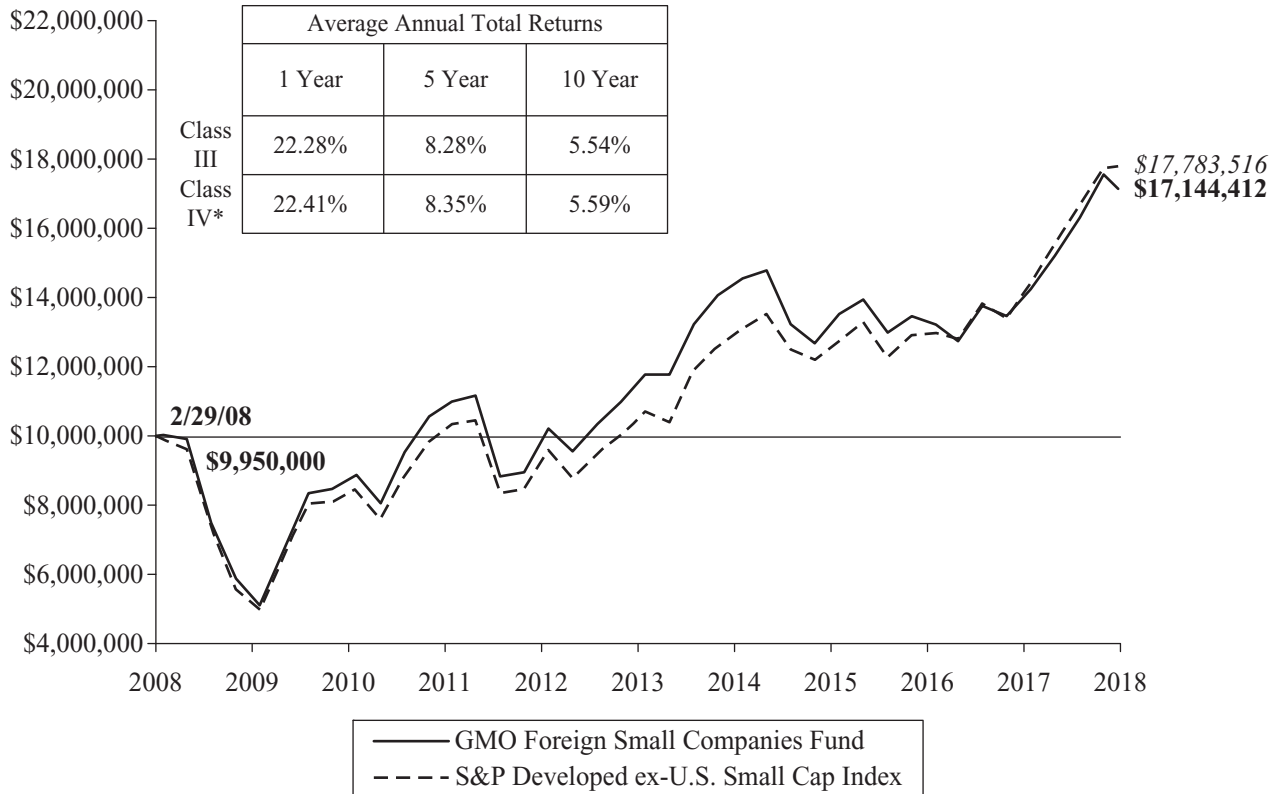
Class III shares of GMO Foreign Small Companies Fund returned +23.52% (net) for the fiscal year ended February 28, 2018, as compared with +26.00% for the S&P Developed ex-U.S. Small Cap Index.

Stock selection detracted from relative performance across both countries and sectors. Holdings in Japan, Germany, and Emerging Markets were the largest detractors from relative returns. The largest negative impacts came from Air France in France, Nisshin OilliO Group in Japan, and Precision Drilling Corporation in Canada. In contrast, positioning in the U.K. and Austria added value. Holdings that contributed positively to relative performance included Showa Denko K. K. in Japan, Deutsche Lufthansa in Germany, and FACC AG in Austria.

*The views expressed herein are exclusively those of Grantham, Mayo, Van Otterloo & Co. LLC as of the date of this report and are subject to change. GMO disclaims any responsibility to update such views. They are not meant as investment advice. References to specific securities are not recommendations of such securities and may not be representative of any GMO portfolio's current or future investments.*

**GMO Foreign Small Companies Fund**  
(A Series of GMO Trust)

**Comparison of Change in Value of a \$10,000,000 Investment in  
GMO Foreign Small Companies Fund Class III Shares and the S&P Developed ex-U.S. Small Cap Index  
As of February 28, 2018**



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 up to the most recent month-end, visit [www.gmo.com](http://www.gmo.com). Performance shown is net of all fees after reimbursement from GMO. Each performance figure assumes a purchase at the beginning and redemption at the end of the stated period and reflects a transaction fee of .50% on the purchase and .50% on the redemption. Transaction fees are retained by the Fund to cover trading costs. Returns would have been lower had certain expenses not been reimbursed during the periods shown and do not include the effect of taxes on distributions and redemptions. All information is unaudited. Performance for classes may vary due to different fees.

\* For the period from March 16, 2009 to August 12, 2009, no Class IV shares were outstanding. Performance for that period is that of Class III shares, which have higher expenses. Therefore, the performance shown is lower than it would have been if Class IV expenses had been applied throughout. For S&P disclaimers please visit [http://www.gmo.com/America/\\_Disclaimers/\\_BenchmarkDisclaimers.htm](http://www.gmo.com/America/_Disclaimers/_BenchmarkDisclaimers.htm).

# GMO Foreign Small Companies Fund

(A Series of GMO Trust)

## Investment Concentration Summary

February 28, 2018 (Unaudited)

Asset Class Summary <sup>&amp;</sup>	% of Total Net Assets
Common Stocks	96.7%
Mutual Funds	1.1
Short-Term Investments	0.2
Futures Contracts	0.0 <sup>^</sup>
Other	2.0
	<b>100.0%</b>

Country Summary <sup>□</sup>	% of Investments
Japan	26.3%
United Kingdom	11.3
Germany	8.0
South Korea	7.1
Switzerland	5.9
France	5.4
Canada	4.5
Italy	4.1
Australia	3.2
United States	2.6
Austria	2.6
Taiwan	2.4
Hong Kong	2.3
Singapore	2.3
China	2.3
Other Developed	1.9 <sup>‡</sup>
Norway	1.7
Other Emerging	1.5 <sup>†</sup>
Finland	1.3
Malaysia	1.2
Spain	1.1
Poland	1.0
	<b>100.0%</b>

Industry Group Summary	% of Equity Investments <sup>#</sup>
Capital Goods	18.6%
Materials	13.7
Technology Hardware & Equipment	8.3
Food, Beverage & Tobacco	6.8
Automobiles & Components	6.0
Real Estate	5.7
Transportation	5.3
Pharmaceuticals, Biotechnology & Life Sciences	4.8
Diversified Financials	4.5
Consumer Durables & Apparel	4.0
Retailing	3.8
Media	3.4
Insurance	3.3
Software & Services	2.8
Utilities	2.5
Energy	2.0
Health Care Equipment & Services	1.1
Semiconductors & Semiconductor Equipment	1.0
Commercial & Professional Services	0.9
Household & Personal Products	0.9
Consumer Services	0.5
Food & Staples Retailing	0.1
	<b>100.0%</b>

& In the table above, derivative financial instruments, if any, are based on market values or unrealized appreciation/depreciation, in the case of forward currency contracts, rather than notional amounts.

□ The table above shows country exposure in the Fund. The table excludes short-term investments. The table excludes exposure through forward currency contracts and includes exposure through other derivative financial instruments, if any. The table takes into account the market value of securities and options and the notional amounts of swap contracts and other derivative financial instruments, if any.

‡ “Other Developed” is comprised of developed countries that each represent between (1.0)% and 1.0% of Investments.

† “Other Emerging” is comprised of emerging countries that each represent between (1.0)% and 1.0% of Investments.

# Equity investments may consist of common stocks and other stock-related securities, such as preferred stocks, if any. This table excludes exposure to derivative contracts, short-term investments, mutual funds and investment funds, if any. For a summary of these exposures, if any, see the Schedule of Investments.

<sup>^</sup> Rounds to 0.0%.

**GMO Foreign Small Companies Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments**  
**(showing percentage of total net assets)**  
**February 28, 2018**

Shares	Description	Value (\$)	Shares	Description	Value (\$)
<b>COMMON STOCKS — 96.7%</b>			<b>Germany — 8.0%</b>		
<b>Australia — 3.2%</b>			63,285	Bauer AG	1,670,158
219,815	Charter Hall Group (REIT)	992,510	101,469	Deutsche Lufthansa AG (Registered)	3,388,057
46,973	Codan Ltd	87,931	39,932	Elmos Semiconductor AG	1,322,432
288,903	GDI Property Group (REIT)	279,668	17,753	Leoni AG	1,207,250
226,015	Mineral Resources Ltd	3,293,675	92,373	Wacker Neuson SE	3,288,837
	Total Australia	<u>4,653,784</u>	24,700	Wuestenrot & Wuerttembergische AG	689,902
				Total Germany	<u>11,566,636</u>
<b>Austria — 2.6%</b>			<b>Hong Kong — 2.3%</b>		
111,210	FACC AG *	2,891,004	747,000	Johnson Electric Holdings Ltd	2,947,661
39,040	POLYTEC Holding AG	832,662	1,594,000	Singamas Container Holdings Ltd	313,324
	Total Austria	<u>3,723,666</u>	139,000	Sunlight Real Estate Investment Trust REIT	96,601
				Total Hong Kong	<u>3,357,586</u>
<b>Belgium — 0.7%</b>			<b>India — 0.8%</b>		
193,640	AGFA-Gevaert NV *	949,586	757,701	PTC India Ltd	1,184,630
1,550	Recticel SA	18,707			
	Total Belgium	<u>968,293</u>	<b>Italy — 4.0%</b>		
<b>Canada — 4.5%</b>			506,737	Arnoldo Mondadori Editore SPA *	1,180,457
56,100	AGF Management Ltd – Class B	300,785	22,491	ASTM SPA	544,288
4,600	Aimia Inc *	6,094	35,672	ERG SPA	739,088
6,400	Air Canada *	134,963	6,293	Iren SPA	18,652
100	Altus Group Ltd	2,447	44,858	La Doria SPA	729,475
87,218	BRP Inc Sub Voting	3,057,932	400	Massimo Zanetti Beverage Group SPA	3,520
30,700	Canfor Corp *	725,393	10,497	Prima Industrie SPA	441,843
700	Capital Power Corp	12,929	181,887	Societa Cattolica di Assicurazioni SC	2,164,028
39,400	Cogeco Inc	2,201,512		Total Italy	<u>5,821,351</u>
7,700	Morguard North American Residential Real Estate Investment Trust	79,688	<b>Japan — 26.1%</b>		
	Total Canada	<u>6,521,743</u>	53,400	Arakawa Chemical Industries Ltd	1,010,054
<b>China — 2.3%</b>			73,300	Dai-ichi Seiko Co Ltd	1,981,404
226,000	China National Materials Co Ltd – Class H	187,686	4,500	Daiichi Kigenso Kagaku-Kogyo Co Ltd	57,244
1,763,000	Powerlong Real Estate Holdings Ltd	878,922	30,600	Denka Co Ltd	1,119,373
178,000	Road King Infrastructure Ltd	322,178	37,200	Fancl Corp	1,334,920
3,089,000	Yuzhou Properties Co Ltd	1,887,845	2,700	Fuji Pharma Co Ltd	109,044
	Total China	<u>3,276,631</u>	1,000	Fujikura Ltd	7,297
<b>Finland — 1.3%</b>			59,400	Fujitsu Frontech Ltd	1,004,903
125,244	Finnair Oyj	1,858,314	26,500	Fuyo General Lease Co Ltd	1,766,292
<b>France — 5.3%</b>			9,400	Hosokawa Micron Corp	711,468
130,726	Air France-KLM *	1,542,648	71,100	House Foods Group Inc	2,379,959
1,115	Cie des Alpes	43,096	46,300	Ishihara Sangyo Kaisha Ltd *	657,464
12,029	Euler Hermes Group	1,785,998	31,900	JSP Corp	1,010,276
25,075	Gaztransport Et Technigaz SA	1,600,380	44,300	Juki Corp	698,398
46,705	Metropole Television SA	1,328,046	13,000	Kamei Corp	194,388
5,745	Vilmorin & Cie SA	521,800	300	Konoike Transport Co Ltd	5,276
17,869	Worldline SA *	909,509	148,000	Kyosan Electric Manufacturing Co Ltd	1,057,313
	Total France	<u>7,731,477</u>	46,300	Mitsui Mining & Smelting Co Ltd	2,302,518
			39,000	NET One Systems Co Ltd	599,403
			45,600	Nisshin Oillio Group Ltd (The)	1,239,819
			505,000	Prima Meat Packers Ltd	3,034,846

See accompanying notes to the financial statements.

**GMO Foreign Small Companies Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments — (Continued)**  
**(showing percentage of total net assets)**  
**February 28, 2018**

Shares	Description	Value (\$)	Shares	Description	Value (\$)
<b>Japan — continued</b>			<b>Spain — 1.1%</b>		
20,000	Rion Co Ltd	548,268	235,126	Ence Energia y Celulosa SA	1,534,710
59,800	Rohto Pharmaceutical Co Ltd	1,655,464	<b>Sweden — 0.9%</b>		
18,700	Shikoku Chemicals Corp	263,294	879	KNOW IT AB	17,958
154,400	Showa Corp	2,433,448	106,320	Mr. Green & Co AB *	656,365
64,400	Showa Denko KK	3,142,636	7,735	Nolato AB – B Shares	547,097
177,100	Tatsuta Electric Wire and Cable Co Ltd	1,203,122	Total Sweden		
70,000	Toyo Ink SC Holdings Co Ltd	437,846	<b>Switzerland — 5.8%</b>		
73,800	TS Tech Co Ltd	2,983,250	15,530	ALSO Holding AG (Registered) *	2,189,467
92,600	Ube Industries Ltd	2,874,224	24,142	Bobst Group SA (Registered)	3,002,801
Total Japan		37,823,211	133	Coltene Holding AG (Registered)	13,394
<b>Malaysia — 1.2%</b>			2,224	Georg Fischer AG (Registered)	3,255,598
1,403,400	Padini Holdings Berhad	1,780,124	Total Switzerland		
<b>Norway — 1.7%</b>			<b>Taiwan — 2.4%</b>		
19,635	Entra ASA	271,617	1,464,000	Coretronic Corp	2,235,431
768,226	Kongsberg Automotive ASA *	964,507	418,000	Elitegroup Computer Systems Co Ltd *	261,206
661,185	Kvaerner ASA *	1,225,981	38,000	Gigabyte Technology Co Ltd	88,779
Total Norway		2,462,105	43,000	Holtek Semiconductor Inc	117,039
<b>Poland — 1.0%</b>			56,000	Lotes Co Ltd	376,705
494,504	Energa SA	1,496,240	177,000	Wah Lee Industrial Corp	340,348
<b>Portugal — 0.4%</b>			Total Taiwan		
111,103	Navigator Co SA (The)	602,105	<b>United Kingdom — 11.2%</b>		
<b>Singapore — 2.3%</b>			790	Bellway Plc	33,675
11,300	Venture Corp Ltd	232,986	156,862	Computacenter Plc	2,372,698
2,491,300	Yanlord Land Group Ltd	3,100,358	209,153	Electrocomponents Plc	1,804,940
Total Singapore		3,333,344	54,175	Games Workshop Group Plc	1,776,271
<b>South Africa — 0.6%</b>			350,807	Jupiter Fund Management Plc	2,456,468
349,098	Blue Label Telecoms Ltd	386,411	23,450	McCull's Retail Group Plc	80,689
36,959	Wilson Bayly Holmes-Ovcon Ltd	538,476	68,191	Morgan Sindall Group Plc	1,161,848
Total South Africa		924,887	18,028	Ophir Energy Plc *	12,962
<b>South Korea — 7.0%</b>			109,127	Plus500 Ltd	1,782,753
439	CJ O Shopping Co Ltd	85,357	134,749	RPS Group Plc	420,627
4,697	Daihan Pharmaceutical Co Ltd	185,102	3,280	Savills Plc	43,050
21,734	DongKook Pharmaceutical Co Ltd	1,351,129	10,981	Spirent Communications Plc	15,680
16,617	Dongwha Pharm Co Ltd	174,694	106,045	SThree Plc	502,883
5,959	F&F Co Ltd	227,553	413,550	Stock Spirits Group Plc	1,561,361
1,278	Green Cross Holdings Corp	48,565	279,141	Vesuvius Plc	2,256,185
43,022	Hyundai Corp	747,907	Total United Kingdom		
235,587	Kwang Dong Pharmaceutical Co Ltd	2,200,249	<b>TOTAL COMMON STOCKS</b>		
21,962	Kyungdong Pharm Co Ltd	473,453	<b>(COST \$128,591,943)</b>		
19,505	LF Corp	524,818	<u>140,179,454</u>		
54,485	LOTTE Himart Co Ltd	3,524,010			
12,610	Samjin Pharmaceutical Co Ltd	481,185			
64,283	Seohan Co Ltd	150,317			
Total South Korea		10,174,339			



**GMO Foreign Small Companies Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments — (Continued)**  
**(showing percentage of total net assets)**  
**February 28, 2018**

Shares	Description	Value (\$)
<b>MUTUAL FUNDS — 1.1%</b>		
<b>United States — 1.1%</b>		
<b>Affiliated Issuers — 1.1%</b>		
63,909	GMO U.S. Treasury Fund	<u>1,595,796</u>
	TOTAL MUTUAL FUNDS (COST \$1,595,796)	<u>1,595,796</u>
<b>SHORT-TERM INVESTMENTS — 0.2%</b>		
<b>Money Market Funds — 0.2%</b>		
274,792	State Street Institutional Treasury Money Market Fund-Premier Class, 1.33% <sup>(a)</sup>	<u>274,792</u>
	Total Money Market Funds	<u>274,792</u>
	TOTAL SHORT-TERM INVESTMENTS (COST \$274,792)	<u>274,792</u>
	<b>TOTAL INVESTMENTS — 98.0%</b> (Cost \$130,462,531)	<b>142,050,042</b>
	Other Assets and Liabilities (net) — 2.0%	<u>2,883,086</u>
	<b>TOTAL NET ASSETS — 100.0%</b>	<b><u>\$144,933,128</u></b>

A summary of outstanding financial instruments at February 28, 2018 is as follows:

**Futures Contracts**

Number of Contracts +	Type	Expiration Date	Notional Amount	Value/Net Unrealized Appreciation (Depreciation)
Buys 21	Mini MSCI EAFE	March 2018	<u>\$2,138,325</u>	<u>\$(32,848)</u>

+ Buys - Fund is long the futures contract.  
Sales - Fund is short the futures contract.

As of February 28, 2018, for the above contracts and/or agreements, the Fund had sufficient cash and/or securities to cover commitments or collateral requirements, if any, of the relevant broker or exchange.

**Notes to Schedule of Investments:**

\* Non-income producing security.

(a) The rate disclosed is the 7 day net yield as of February 28, 2018.

For a listing of definitions of acronyms, counterparty abbreviations and currency abbreviations used throughout the Schedule of Investments as well as the derivative tables, if any, please refer to page 83.

## **GMO International Equity Fund** **(A Series of GMO Trust)**

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### **Portfolio Management**

Day-to-day management of the Fund's portfolio is the responsibility of the Global Equity team at Grantham, Mayo, Van Otterloo & Co. LLC.

### **Management Discussion and Analysis of Fund Performance**

Although the Fund is not managed relative to any securities market index or benchmark, a discussion of the Fund's performance relative to the MSCI EAFE Index is included for comparative purposes.

Class II shares of GMO International Equity Fund returned +20.85% (net) for the fiscal year ended February 28, 2018, as compared with +20.13% for the MSCI EAFE Index.

The Fund added value from stock selection decisions, with additional positive contributions from both country and sector allocation. Germany, Switzerland, and Italy were the top country contributors. Germany and Italy were both overweight on average, with performance driven primarily by stock selection. Value added in Switzerland came from a combination of stock selection and underweight positioning.

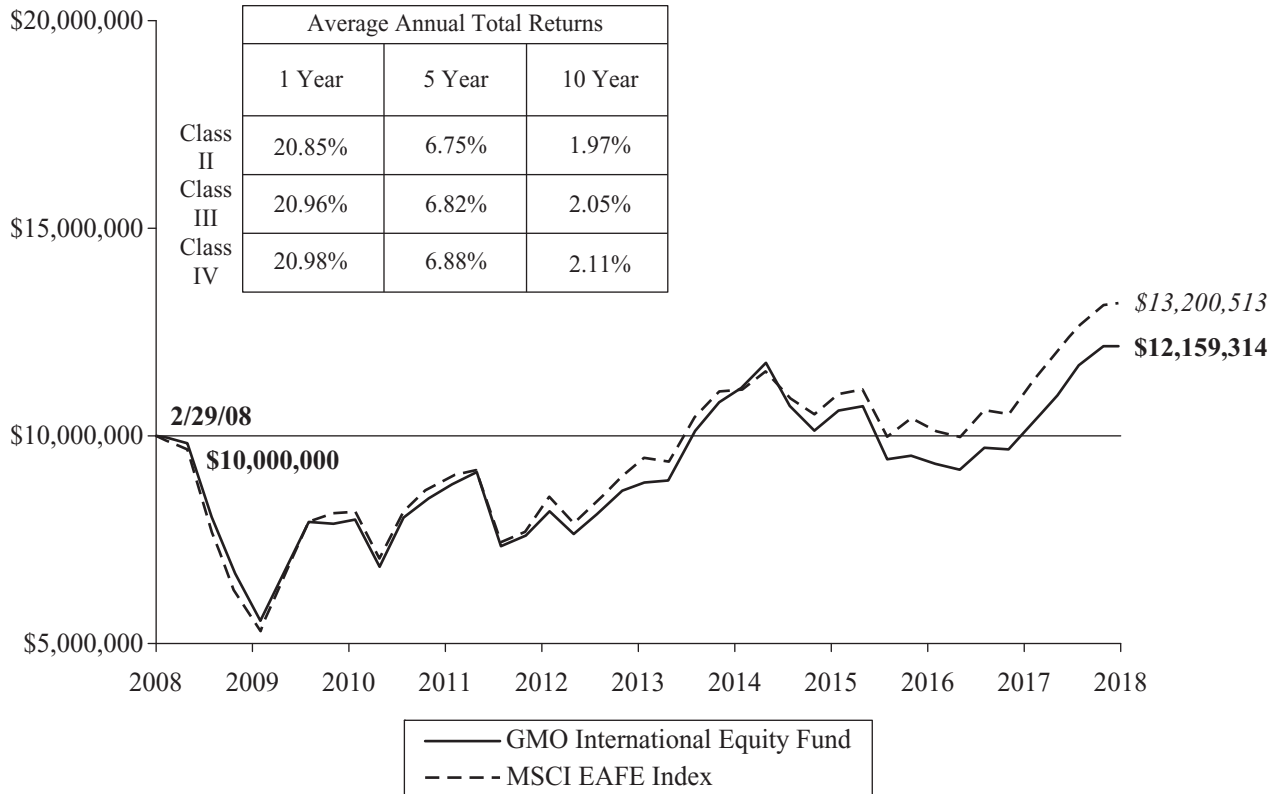
Stock selection was also the primary reason for the outperformance of top sector contributors; Industrials, Consumer Discretionary, and Real Estate. Top stock contributors included overweight positions in Deutsche Lufthansa (Germany Industrial), Fiat Chrysler Automobiles (Italy Consumer Discretionary), and Christian Dior (France Consumer Discretionary).

Areas with negative contributions over the period included stock selection in the U.K. and Japan. Top stock detractors included overweight positions in GlaxoSmithKline (U.K. Health Care), WPP (U.K. Consumer Discretionary), and Sumitomo Mitsui Financial Group (Japan Financials).

*The views expressed herein are exclusively those of Grantham, Mayo, Van Otterloo & Co. LLC as of the date of this report and are subject to change. GMO disclaims any responsibility to update such views. They are not meant as investment advice. References to specific securities are not recommendations of such securities and may not be representative of any GMO portfolio's current or future investments.*

**GMO International Equity Fund**  
(A Series of GMO Trust)

**Comparison of Change in Value of a \$10,000,000 Investment in  
GMO International Equity Fund Class II Shares and the MSCI EAFE Index  
As of February 28, 2018**



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 up to the most recent month-end, visit [www.gmo.com](http://www.gmo.com). Performance shown is net of all fees after reimbursement from GMO. Returns would have been lower had certain expenses not been reimbursed during the periods shown and do not include the effect of taxes on distributions and redemptions. The performance information shown above only includes purchase premiums and/or redemption fees in effect as of February 28, 2018. All information is unaudited. Performance for classes may vary due to different fees.

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 MSCI EAFE Value Index has been removed from the performance graph as GMO does not believe it to be representative of the Fund's investment strategy.

# GMO International Equity Fund

(A Series of GMO Trust)

## Investment Concentration Summary

February 28, 2018 (Unaudited)

Asset Class Summary <sup>&amp;</sup>	% of Total Net Assets
Common Stocks	97.5%
Mutual Funds	1.2
Preferred Stocks	0.7
Short-Term Investments	0.1
Futures Contracts	0.0 <sup>^</sup>
Other	0.5
	<b>100.0%</b>

Country Summary <sup>⊠</sup>	% of Investments
Japan	26.9%
United Kingdom	13.6
Germany	12.4
France	12.2
Italy	5.1
Switzerland	5.0
Hong Kong	4.8
Australia	3.7
Sweden	3.4
Norway	3.3
Netherlands	3.2
United States	2.1
Austria	1.5
Other Developed	1.4 <sup>‡</sup>
Spain	1.4
	<b>100.0%</b>

Industry Group Summary	% of Equity Investments <sup>#</sup>
Capital Goods	12.7%
Materials	11.2
Automobiles & Components	9.0
Banks	9.0
Pharmaceuticals, Biotechnology & Life Sciences	8.0
Insurance	7.4
Energy	6.8
Food, Beverage & Tobacco	5.8
Technology Hardware & Equipment	5.1
Consumer Durables & Apparel	5.0
Transportation	2.9
Semiconductors & Semiconductor Equipment	2.7
Telecommunication Services	2.5
Diversified Financials	2.1
Real Estate	2.0
Software & Services	1.8
Household & Personal Products	1.6
Utilities	1.5
Retailing	0.9
Commercial & Professional Services	0.8
Consumer Services	0.4
Health Care Equipment & Services	0.3
Food & Staples Retailing	0.3
Media	0.2
	<b>100.0%</b>

<sup>&</sup> In the table above, derivative financial instruments, if any, are based on market values or unrealized appreciation/depreciation, in the case of forward currency contracts, rather than notional amounts.

<sup>⊠</sup> The table above shows country exposure in the Fund. The table excludes short-term investments. The table excludes exposure through forward currency contracts and includes exposure through other derivative financial instruments, if any. The table takes into account the market value of securities and options and the notional amounts of swap contracts and other derivative financial instruments, if any.

<sup>‡</sup> "Other Developed" is comprised of developed countries that each represent between (1.0)% and 1.0% of Investments.

<sup>#</sup> Equity investments may consist of common stocks and other stock-related securities, such as preferred stocks, if any. This table excludes exposure to derivative contracts, short-term investments, mutual funds and investment funds, if any. For a summary of these exposures, if any, see the Schedule of Investments.

<sup>^</sup> Rounds to 0.0%.

**GMO International Equity Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments**  
**(showing percentage of total net assets)**  
**February 28, 2018**

Shares	Description	Value (\$)
<b>COMMON STOCKS — 97.5%</b>		
<b>Australia — 3.7%</b>		
321,081	Abacus Property Group (REIT)	853,420
38,751	Adelaide Brighton Ltd	196,796
832,950	Australia & New Zealand Banking Group Ltd	18,614,862
1,376,398	Caltex Australia Ltd	37,310,248
288,182	Charter Hall Group (REIT)	1,301,201
77,854	CIMIC Group Ltd	2,808,200
1,399,572	Costa Group Holdings Ltd	7,868,466
128,589	Credit Corp Group Ltd	2,095,372
4,104,340	CSR Ltd	16,330,488
6,215,449	Downer EDI Ltd	33,155,299
125,824	Elders Ltd	673,339
341,167	Goodman Group (REIT)	2,157,324
66,022	Investa Office Fund (REIT)	215,737
79,206	Macquarie Group Ltd	6,310,647
1,485,829	Metcash Ltd	3,715,589
1,819,151	Mineral Resources Ltd	26,510,151
1,518,586	Nine Entertainment Co Holdings Ltd	2,680,337
2,200,788	OZ Minerals Ltd	16,283,716
581,223	Pact Group Holdings Ltd	2,513,066
100	Rio Tinto Ltd	6,200
1,176,271	Shopping Centres Australasia Property Group (REIT)	2,036,806
394,187	Sigma Healthcare Ltd	271,633
17,983	Sonic Healthcare Ltd	339,256
288,481	Southern Cross Media Group Ltd	245,155
75,035	Tabcorp Holdings Ltd	268,768
364,680	Tassal Group Ltd	1,072,082
69,894	Vicinity Centres (REIT)	134,044
19,738	Virtus Health Ltd	87,898
30,282	Woodside Petroleum Ltd	675,968
263,632	WorleyParsons Ltd	3,096,409
	Total Australia	<u>189,828,477</u>
<b>Austria — 1.5%</b>		
79,093	Oesterreichische Post AG	3,808,104
881,922	OMV AG	50,144,546
357,486	voestalpine AG	20,622,707
	Total Austria	<u>74,575,357</u>
<b>Belgium — 0.2%</b>		
615,191	AGFA-Gevaert NV *	3,016,817
1,134	Barco NV	138,376
14,350	bpost SA	486,946
46,444	D'ieteren SA/NV	1,997,424
7,450	Elia System Operator SA/NV	470,369
90,674	Orange Belgium SA	1,678,753
23,237	UCB SA	1,919,522
	Total Belgium	<u>9,708,207</u>

Shares	Description	Value (\$)
<b>Denmark — 0.3%</b>		
346	AP Moeller – Maersk A/S – Class B	562,035
2,643	Dfds A/S	145,557
284,000	Novo Nordisk A/S Sponsored ADR	14,620,320
12,564	Per Aarsleff Holding A/S	449,767
8,571	Schouw & Co AB	893,523
	Total Denmark	<u>16,671,202</u>
<b>Finland — 0.0%</b>		
26,395	Metso Oyj	843,026
27,313	Tieto Oyj	967,288
	Total Finland	<u>1,810,314</u>
<b>France — 12.3%</b>		
2,118,107	Air France-KLM *	24,994,976
77,277	Amundi SA	6,299,321
3,560,567	AXA SA	111,513,587
837,339	BNP Paribas SA	66,208,808
1,788	Casino Guichard Perrachon SA	96,856
132,571	Christian Dior SE	49,239,342
706,407	CNP Assurances	17,118,730
3,216,416	Credit Agricole SA	55,113,925
17,255	IPSOS	661,346
4,612	Legrand SA	361,572
238,372	Metropole Television SA	6,778,056
160,540	Sanofi	12,674,608
309,330	SCOR SE	13,114,524
7,768	Societe BIC SA	814,977
1,497,637	Societe Generale SA	85,095,172
2,202,400	STMicroelectronics NV – NY Shares	50,214,720
2,474,739	STMicroelectronics NV	56,281,207
1,148,394	TOTAL SA	65,319,196
	Total France	<u>621,900,923</u>
<b>Germany — 11.8%</b>		
131,069	ADVA Optical Networking SE *	990,680
570,196	Allianz SE (Registered)	132,451,529
140,552	BASF SE	14,683,402
1,110,263	Bayerische Motoren Werke AG	116,649,667
92,048	Bechtle AG	7,817,937
5,852	Cewe Stiftung & Co KGAA	596,632
95,485	Covestro AG	10,771,693
1,590,176	Daimler AG (Registered Shares)	135,779,794
2,882,610	Deutsche Lufthansa AG (Registered)	96,250,552
9,759	Diebold Nixdorf AG *	805,521
5,773	Duerr AG	706,073
20,395	Evonik Industries AG	750,945
7,958	Fraport AG Frankfurt Airport Services Worldwide	812,050
8,141	Henkel AG & Co KGaA	978,778
6,881	Indus Holding AG	511,924
57,696	Jenoptik AG	1,981,004

**GMO International Equity Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments — (Continued)**  
**(showing percentage of total net assets)**  
**February 28, 2018**

Shares	Description	Value (\$)	Shares	Description	Value (\$)
<b>Germany — continued</b>			<b>Israel — continued</b>		
2,151	Koenig & Bauer AG	188,755	18,700	SodaStream International Ltd *	1,513,204
125,707	Leoni AG	8,548,404	10,496	Teva Pharmaceutical Industries Ltd	196,835
215,662	RHOEN-KLINIKUM AG	7,520,378		Total Israel	14,948,729
1,293	RTL Group SA	113,232			
1,068,702	RWE AG *	21,241,817	<b>Italy — 5.1%</b>		
6,606	Salzgitter AG	376,731	474,840	A2A SPA	839,573
575	Siltronic AG *	83,900	78,636	De' Longhi SPA	2,218,476
120,086	Software AG	6,303,869	6,787,484	Enel SPA	39,399,730
1,784	STADA Arzneimittel AG	186,161	3,284	Eni SPA	54,530
52,163	Talanx AG	2,305,769	686,272	EXOR NV	49,798,477
141,483	Volkswagen AG	28,105,657	5,117,100	Fiat Chrysler Automobiles NV	108,431,349
	Total Germany	597,512,854	67,312	Fiat Chrysler Automobiles NV *	1,420,826
			1,297,941	Hera SPA	4,414,708
<b>Hong Kong — 4.8%</b>			1,540,676	Iren SPA	4,566,491
8,838,600	BOC Hong Kong Holdings Ltd	44,418,246	51,526	La Doria SPA	837,909
2,881,600	Champion (REIT)	2,046,140	754,646	Recordati SPA	26,978,003
2,361,100	Dah Sing Banking Group Ltd	5,247,454	9,720	Reply SPA	582,909
469,800	Dah Sing Financial Holdings Ltd	3,041,706	1,681,711	Saras SPA	3,525,042
5,255,990	Esprit Holdings Ltd *	2,061,380	1,357,586	Societa Cattolica di Assicurazioni SC	16,152,084
333,000	Fortune Real Estate Investment Trust	395,935	595,147	Telecom Italia SPA *	534,138
4,350,000	Global Brands Group Holding Ltd *	314,935		Total Italy	259,754,245
2,478,900	Hysan Development Co Ltd	14,326,123	<b>Japan — 27.0%</b>		
5,696,075	I-CABLE Communications Ltd *	142,574	30,700	Yamaha Motor Co Ltd	970,841
2,735,700	Kerry Properties Ltd	12,366,060	7,700	Kose Corp	1,432,401
917,200	Luk Fook Holdings International Ltd	3,158,397	35,800	Seiko Holdings Corp	973,670
932,800	Man Wah Holdings Ltd	857,173	4,800	Keyence Corp	2,906,880
1,621,000	Pacific Textiles Holdings Ltd	1,551,303	65,300	Denso Corp	3,811,419
1,075,700	PCCW Ltd	611,163	215,700	Astellas Pharma Inc	3,168,839
16,961,100	SJM Holdings Ltd	16,156,278	19,600	ADEKA Corp	356,420
1,526,200	SmarTone Telecommunications Holdings Ltd	1,658,188	7,000	Aichi Corp	48,621
162,400	Swire Properties Ltd	553,374	1,200	Ain Holdings Inc	80,206
39,000	Swire Pacific Ltd – Class A	392,040	140,800	Alpine Electronics Inc	2,794,589
135,500	Techtronic Industries Co Ltd	850,126	83,700	AOKI Holdings Inc	1,339,258
435,800	Television Broadcasts Ltd	1,435,638	23,800	Aoyama Trading Co Ltd	990,251
51,329,500	WH Group Ltd	63,217,645	3,074,100	Asahi Kasei Corp	39,394,552
3,432,900	Wharf Holdings Ltd (The)	12,754,290	127,800	Autobacs Seven Co Ltd	2,488,093
4,219,900	Wharf Real Estate Investment Co Ltd *	28,686,628	1,989,000	Brother Industries Ltd	49,465,281
1,718,500	Wheelock & Co Ltd	12,457,168	909,100	Canon Inc	34,644,700
845,075	Xinyi Automobile Glass Hong Kong Enterprises Ltd *	229,703	52,100	Cawachi Ltd	1,276,365
3,383,800	Yue Yuen Industrial Holdings Ltd	14,462,699	215,100	CKD Corp	5,381,833
	Total Hong Kong	243,392,366	6,200	Computer Engineering & Consulting Ltd	190,060
			395,800	Cosmo Energy Holdings Co Ltd	13,721,774
<b>Ireland — 0.1%</b>			21,200	Credit Saison Co Ltd	363,905
28,300	ICON Plc *	3,206,673	29,580	Daikyo Inc	628,272
			71,100	Daiwabo Holdings Co Ltd	2,939,441
<b>Israel — 0.3%</b>			809,700	DCM Holdings Co Ltd	7,972,462
71,321	Bank Hapoalim BM	507,817	340,640	Denka Co Ltd	12,460,890
274,626	El Al Israel Airlines	98,953	109,900	DIC Corp	3,920,914
4,169,122	Israel Discount Bank Ltd – Class A *	11,954,688	70,600	Doutor Nichires Holdings Co Ltd	1,637,707
36,740	Mizrahi Tefahot Bank Ltd	677,232	17,300	DTS Corp	621,722

**GMO International Equity Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments — (Continued)**  
**(showing percentage of total net assets)**  
**February 28, 2018**

Shares	Description	Value (\$)	Shares	Description	Value (\$)
<b>Japan — continued</b>			<b>Japan — continued</b>		
7,500	Ehime Bank Ltd (The)	93,046	21,800	Nippon Paper Industries Co Ltd	428,869
108,000	Fancel Corp	3,875,574	2,413,000	Nippon Telegraph & Telephone Corp	112,075,653
116,000	Fuji Electric Co Ltd	877,795	9,160	Nippon Television Holdings Inc	173,032
15,300	Fuji Oil Holdings Inc	451,319	77,900	Nippon Signal Co Ltd	760,716
315,200	Fujikura Ltd	2,300,031	119,300	Nishi-Nippon Financial Holdings Inc	1,465,073
10,882,000	Fujitsu Ltd	64,939,393	17,400	Nisshinbo Holdings Inc	264,212
176,500	Furukawa Electric Co Ltd	9,617,171	40,200	Nissin Electric Co Ltd	392,660
34,400	Fuyo General Lease Co Ltd	2,292,847	88,500	Nomura Holdings Inc	538,733
170,000	Geo Holdings Corp	3,103,651	800	NuFlare Technology Inc	59,538
23,250	Gunze Ltd	1,291,272	10,500	Okamura Corp	145,241
278,940	Hanwa Co Ltd	12,587,617	122,700	Okinawa Electric Power Co (The)	3,314,340
106,800	Hiroshima Bank Ltd (The)	828,412	205,800	Onward Holdings Co Ltd	1,752,722
13,600	Hitachi Capital Corp	351,792	452,200	Orient Corp	719,380
227,600	Hitachi Chemical Co Ltd	5,055,017	12,000	Osaki Electric Co Ltd	90,001
12,208,000	Hitachi Ltd	92,318,132	174,100	Pola Orbis Holdings Inc	7,298,993
7,200	Hitachi Transport System Ltd	177,755	108,200	Press Kogyo Co Ltd	666,411
2,300	Hokuetsu Bank Ltd (The)	51,324	1,393,000	Prima Meat Packers Ltd	8,371,367
148,100	House Foods Group Inc	4,957,411	32,000	Relo Group Inc	897,048
26,700	Isuzu Motors Ltd	417,719	106,200	Rengo Co Ltd	920,834
6,855,000	ITOCHE Corp	131,770,530	126,200	Rohto Pharmaceutical Co Ltd	3,493,637
81,800	Itochu Techno-Solutions Corp	3,339,889	43,300	San-A Co Ltd	2,245,798
36,700	Kagome Co Ltd	1,248,026	6,800	Sankyu Inc	328,038
184,600	Kanematsu Corp	2,486,074	1,723,200	Sekisui Chemical Co Ltd	32,284,763
103,200	Keihin Corp	2,145,900	192,300	Showa Denko KK	9,383,991
61,200	Kohnan Shoji Co Ltd	1,435,744	38,200	Softbank Technology Corp	739,370
9,900	Koito Manufacturing Co Ltd	683,095	13,387,400	Sojitz Corp	43,685,051
68,100	Kokuyo Co Ltd	1,276,031	8,632,000	Sumitomo Chemical Co Ltd	53,222,085
48,900	Kuraray Co Ltd	849,840	525,300	Sumitomo Forestry Co Ltd	8,757,691
8,200	Kyowa Exeo Corp	217,847	355,260	Sumitomo Heavy Industries Ltd	13,839,512
57,800	Mandom Corp	2,030,937	15,200	Suzuken Co Ltd	618,838
6,592,100	Marubeni Corp	50,227,007	162,300	T-Gaia Corp	4,656,742
2,400	Maruwa Co Ltd	197,245	25,100	Token Corp	2,824,487
10,166,100	Mitsubishi Chemical Holdings Corp	102,564,619	9,330	Tokyo Electric Power Co Holdings Inc *	35,693
831,600	Mitsubishi Corp	23,297,444	154,000	Tokyo Electron Ltd	30,092,021
905,200	Mitsubishi Electric Corp	15,268,451	56,000	Toppan Printing Co Ltd	478,397
818,500	Mitsubishi Gas Chemical Co Inc	20,244,115	8,800	Toshiba Plant Systems & Services Corp	177,714
988,300	Mitsubishi Tanabe Pharma Corp	21,051,063	2,697,000	Tosoh Corp	55,754,816
2,301,500	Mitsui & Co Ltd	41,712,201	55,500	Towa Pharmaceutical Co Ltd	3,590,943
715,100	Mitsui Chemicals Inc	21,699,204	23,100	Toyoda Gosei Co Ltd	559,288
3,600	Mitsui Sugar Co Ltd	146,569	1,124,300	Toyota Tsusho Corp	41,627,433
91,500	Modec Inc	2,284,018	31,900	TPR Co Ltd	904,375
171,000	Nachi-Fujikoshi Corp	1,063,834	235,800	TS Tech Co Ltd	9,531,847
87,000	Namura Shipbuilding Co Ltd	523,707	87,400	TSI Holdings Co Ltd	630,317
429,800	NET One Systems Co Ltd	6,605,729	88,000	Tsubakimoto Chain Co	746,606
347,000	Nichias Corp	4,607,487	17,000	Tsumura & Co	566,875
5,400	Nichiha Corp	212,073	481,910	Ube Industries Ltd	14,958,068
343,700	Nichirei Corp	8,739,886	6,800	UKC Holdings Corp	149,104
9,900	Nifco Inc	708,560	225,800	Valor Holdings Co Ltd	6,160,963
127,000	Nippo Corp	2,994,433	26,600	Warabeya Nichiyo Holdings Co Ltd	632,770
20,500	Nippon Chemi-Con Corp	549,307	30,500	Yahagi Construction Co Ltd	234,449
711,700	Nippon Light Metal Holdings Co Ltd	1,918,778	46,600	Yamaguchi Financial Group Inc	562,498

See accompanying notes to the financial statements.

**GMO International Equity Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments — (Continued)**  
**(showing percentage of total net assets)**  
**February 28, 2018**

Shares	Description	Value (\$)	Shares	Description	Value (\$)
<b>Japan — continued</b>			<b>Singapore — continued</b>		
625,000	Zeon Corp	9,339,109	538,900	Venture Corp Ltd	11,111,164
	Total Japan	1,368,816,399	2,497,000	Yangzijiang Shipbuilding Holdings Ltd	2,817,834
			93,000	Yanlord Land Group Ltd	115,736
				Total Singapore	17,037,466
<b>Malta — 0.0%</b>			<b>Spain — 1.4%</b>		
15,984,486	BGP Holdings Plc <sup>(a)</sup>	—	584,700	Ebro Foods SA	14,691,104
			37,655	Mapfre SA	126,350
			3,123,731	Repsol SA	55,500,726
			11,674	Viscofan SA	741,562
				Total Spain	71,059,742
<b>Netherlands — 3.2%</b>			<b>Sweden — 3.4%</b>		
19,741	Aalberts Industries NV	987,585	36,580	Bilia AB – A Shares	374,749
104,679	BinckBank NV	616,717	72,688	Electrolux AB – Series B	2,386,345
364,200	Constellium NV – Class A *	4,224,720	6,511	Granges AB	70,637
19,187	Corbion NV	595,398	32,183	Industrivarden AB – C Shares	767,735
147,212	Heineken Holding NV	14,643,371	60,408	Klovern AB – B Shares	74,144
6,645,300	ING Groep NV	116,611,593	17,435	NCC AB – B Shares	332,471
224,998	Philips Lighting NV	8,913,296	2,512,047	Sandvik AB	46,504,227
250,147	Unilever NV CVA	13,091,726	427,845	SAS AB *	1,094,007
48,474	Wolters Kluwer NV	2,455,397	35,435	Securitas AB – B Shares	608,813
	Total Netherlands	162,139,803	13,261	Skanska AB – B Shares	263,723
			1,073,264	Svenska Cellulosa AB SCA – Class B	10,636,051
			23,199	Swedish Match AB	985,429
			5,745,177	Volvo AB – B Shares	108,020,346
			53,861	Wihlborgs Fastigheter AB	1,238,323
				Total Sweden	173,357,000
<b>New Zealand — 0.0%</b>			<b>Switzerland — 5.0%</b>		
550,314	Air New Zealand Ltd	1,302,047	58,679	Ascom Holding AG (Registered)	1,480,393
237,499	Chorus Ltd	638,875	13,484	Autoneum Holding AG	4,289,741
43,683	Fletcher Building Ltd	203,413	1,774	Banque Cantonale Vaudoise (Registered)	1,484,897
	Total New Zealand	2,144,335	5,696	BKW AG	325,997
			343	Bobst Group SA (Registered)	42,663
			9,397	Bucher Industries AG (Registered)	3,946,171
			2,018	Cembra Money Bank AG *	189,887
			372	dormakaba Holding AG *	341,189
			3,408	Emmi AG (Registered) *	2,571,299
			1,534	EMS-Chemie Holding AG (Registered)	977,837
			210	Forbo Holdings AG (Registered)	339,716
			128,845	GAM Holding AG *	2,314,990
			17,470	Georg Fischer AG (Registered)	25,573,428
			42	Gurit Holding AG *	42,061
			12,324	Implenia AG (Registered)	925,456
			9,576	Kardex AG (Registered) *	1,237,487
			5,439	Komax Holding AG (Registered)	1,735,957
			830,953	Logitech International SA (Registered)	32,613,226
			18,638	Lonza Group AG (Registered)	4,722,112
			10,546	Mobilezone Holding AG (Registered)	132,783
			129,064	Nestle SA (Registered)	10,254,265
<b>Norway — 3.3%</b>					
11,876	Austevoll Seafood ASA	106,464			
164,609	Bakkafrost P/F	8,311,219			
499,824	BW LPG Ltd *	2,180,562			
1,800,258	DNB ASA	35,312,652			
12,831	Salmar ASA	456,164			
12,295	SpareBank 1 Nord Norge	106,368			
2,934,201	Statoil ASA	66,786,837			
1,502,199	Storebrand ASA	13,067,120			
2,179,097	Subsea 7 SA	32,358,105			
315,163	Telenor ASA	7,072,717			
16,108	Yara International ASA	711,767			
	Total Norway	166,469,975			
<b>Portugal — 0.2%</b>					
148,834	Altri SGPS SA	846,283			
859,006	CTT-Correios de Portugal SA	3,556,183			
178,954	Navigator Co SA (The)	969,813			
730,139	REN-Redes Energeticas Nacionais SGPS SA	2,197,247			
	Total Portugal	7,569,526			
<b>Singapore — 0.3%</b>					
537,100	CapitaLand Commercial Trust (REIT)	697,502			
9,300	CapitaLand Mall Trust (REIT)	14,154			
1,380,400	Mapletree Greater China Commercial Trust (REIT)	1,236,679			
706,500	Mapletree Industrial Trust (REIT)	1,044,397			



**GMO International Equity Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments — (Continued)**  
**(showing percentage of total net assets)**  
**February 28, 2018**

Shares	Description	Value (\$)
<b>Switzerland — continued</b>		
238,871	Novartis AG (Registered)	19,927,040
31,024	Roche Holding AG	7,310,941
7,111	Sika AG	58,312,658
3,695	Straumann Holding AG (Registered)	2,489,080
1,316	Swatch Group AG (The) (Registered)	105,160
51,444	Swiss Life Holding AG (Registered) *	18,577,611
440,621	Swiss Re AG	44,830,788
1,640	Valora Holding AG (Registered)	594,512
61,457	Vontobel Holding AG (Registered)	4,121,224
5,161	Zehnder Group AG – Class RG	240,025
	Total Switzerland	<u>252,050,594</u>
<b>United Kingdom — 13.6%</b>		
1,969,815	3i Group Plc	25,337,761
1,951,793	AstraZeneca Plc	127,749,195
180,546	Barratt Developments Plc	1,334,303
68,448	Bellway Plc	2,917,728
759,773	Berkeley Group Holdings Plc (The)	40,208,590
1,501,128	British American Tobacco Plc	88,600,269
776,174	Cairn Energy Plc *	1,980,985
1,579,090	Carillion Plc <sup>(a)</sup>	—
1,032,420	Coca-Cola HBC AG *	33,751,985
4,316,811	Debenhams Plc	1,695,459
65,300	Diageo Plc Sponsored ADR	8,857,292
1,177,176	Electrocomponents Plc	10,158,748
28,644	Fenner Plc	186,977
3,499,013	Ferrexpo Plc	14,954,927
7,495,818	Firstgroup Plc *	8,398,123
414,892	Galliford Try Plc	5,213,108
6,956,856	GlaxoSmithKline Plc	124,762,385
197,000	GlaxoSmithKline Plc Sponsored ADR	7,153,070
133,725	Halfords Group Plc	652,068
335,928	Hunting Plc *	2,785,175
1,286,778	Inchcape Plc	11,987,074
2,593,708	Indivior Plc *	13,468,692
37,025	Intermediate Capital Group Plc	535,599
1,865	Jupiter Fund Management Plc	13,059
2,158,582	Lloyds Banking Group Plc	2,039,496
154,003	Mitie Group Plc	332,297
406,874	National Express Group Plc	1,955,032
202,500	Nomad Foods Ltd *	3,318,975
30,089	Pearson Plc	303,013
2,270,260	Persimmon Plc	81,158,409
57,252	Playtech Plc	614,078
155,839	Plus500 Ltd	2,545,863
249,518	QinetiQ Group Plc	701,625
616,790	Reckitt Benckiser Group Plc	48,958,553
98,543	Royal Mail Plc	759,037
70,646	Savills Plc	927,220
221,096	Spectris Plc	8,262,413
357,694	Vesuvius Plc	2,891,098

Shares	Description	Value (\$)
<b>United Kingdom — continued</b>		
26,237	Victrex Plc	932,925
10,727	WH Smith Plc	298,784
	Total United Kingdom	<u>688,701,390</u>
	TOTAL COMMON STOCKS (COST \$4,201,796,567)	<u>4,942,655,577</u>
<b>PREFERRED STOCKS <sup>(b)</sup> — 0.7%</b>		
<b>Germany — 0.7%</b>		
164,043	Jungheinrich AG	7,985,146
5,379	Porsche Automobil Holding SE	448,069
131,642	Volkswagen AG	25,609,431
	Total Germany	<u>34,042,646</u>
	TOTAL PREFERRED STOCKS (COST \$25,006,345)	<u>34,042,646</u>
<b>MUTUAL FUNDS — 1.2%</b>		
<b>United States — 1.2%</b>		
<b>Affiliated Issuers — 1.2%</b>		
2,445,699	GMO U.S. Treasury Fund	61,069,100
	TOTAL MUTUAL FUNDS (COST \$61,084,746)	<u>61,069,100</u>
<b>SHORT-TERM INVESTMENTS — 0.1%</b>		
<b>Money Market Funds — 0.1%</b>		
4,916,014	State Street Institutional Treasury Money Market Fund-Premier Class, 1.33% <sup>(c)</sup>	4,916,014
	TOTAL SHORT-TERM INVESTMENTS (COST \$4,916,014)	<u>4,916,014</u>
	<b>TOTAL INVESTMENTS — 99.5%</b> (Cost \$4,292,803,672)	<b>5,042,683,337</b>
	Other Assets and Liabilities (net) — 0.5%	<u>25,001,627</u>
	<b>TOTAL NET ASSETS — 100.0%</b>	<b><u>\$5,067,684,964</u></b>

**GMO International Equity Fund**  
**(A Series of GMO Trust)**

**Schedule of Investments — (Continued)**  
**February 28, 2018**

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A summary of outstanding financial instruments at February 28, 2018 is as follows:

**Futures Contracts**

Number of Contracts +	Type	Expiration Date	Notional Amount	Value/Net Unrealized Appreciation (Depreciation)
Buys 425	Mini MSCI EAFE	March 2018	<u>\$43,275,625</u>	<u>\$(5,376)</u>

+ Buys - Fund is long the futures contract.  
 Sales - Fund is short the futures contract.

As of February 28, 2018, for the above contracts and/or agreements, the Fund had sufficient cash and/or securities to cover commitments or collateral requirements, if any, of the relevant broker or exchange.

**Notes to Schedule of Investments:**

- \* Non-income producing security.
- (a) Investment valued at fair value using methods determined in good faith by the Trustees of GMO Trust or persons acting at their direction pursuant to procedures approved by the Trustees. Investment valued using significant unobservable inputs (Note 2).
- (b) Preferred dividend rates are disclosed to the extent that a stated rate exists.
- (c) The rate disclosed is the 7 day net yield as of February 28, 2018.

For a listing of definitions of acronyms, counterparty abbreviations and currency abbreviations used throughout the Schedule of Investments as well as the derivative tables, if any, please refer to page 83.

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## **GMO International Large/Mid Cap Equity Fund** **(A Series of GMO Trust)**

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### **Portfolio Management**

Day-to-day management of the Fund's portfolio is the responsibility of the Global Equity team at Grantham, Mayo, Van Otterloo & Co. LLC.

### **Management Discussion and Analysis of Fund Performance**

Although the Fund is not managed relative to any securities market index or benchmark, a discussion of the Fund's performance relative to the MSCI EAFE Index is included for comparative purposes.

Class III shares of GMO International Large/Mid Cap Equity Fund returned +20.64% (net) for the fiscal year ended February 28, 2018, as compared with +20.13% for the MSCI EAFE Index.

The Fund added value from stock selection decisions, with additional positive contributions from both country and sector allocation. Germany, Switzerland, Australia, and Austria were the top country contributors. Germany was a strong contributor to value added from stock selection. Value added in Switzerland came from a combination of stock selection and underweight positioning. Underweight positioning in Australia and overweight positioning in Austria added value primarily from country allocation.

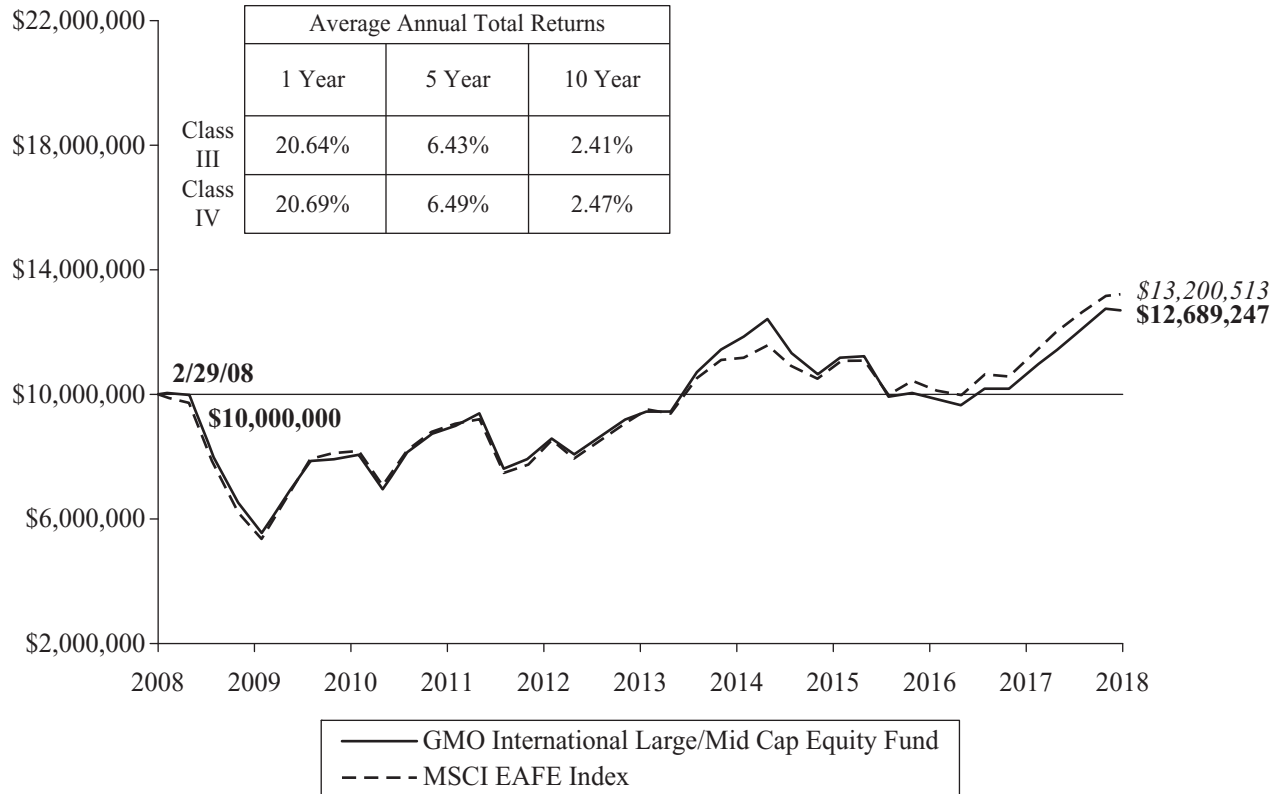
Top sector contributors included Consumer Discretionary, Industrials, and Materials. Top stock contributors included overweight positions in Deutsche Lufthansa (Germany Industrial), Porsche Automobil Holding (Germany Consumer Discretionary), and Christian Dior (France Consumer Discretionary).

Areas with negative contributions over the period included stock selection in the U.K., Japan, and the Information Technology sector. Top stock detractors included overweight positions in WPP (U.K. Consumer Discretionary), Sumitomo Mitsui Financial Group (Japan Financials), and GlaxoSmithKline (U.K. Health Care).

*The views expressed herein are exclusively those of Grantham, Mayo, Van Otterloo & Co. LLC as of the date of this report and are subject to change. GMO disclaims any responsibility to update such views. They are not meant as investment advice. References to specific securities are not recommendations of such securities and may not be representative of any GMO portfolio's current or future investments.*

**GMO International Large/Mid Cap Equity Fund**  
 (A Series of GMO Trust)

**Comparison of Change in Value of a \$10,000,000 Investment in  
 GMO International Large/Mid Cap Equity Fund Class III Shares and the MSCI EAFE Index  
 As of February 28, 2018**



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 up to the most recent month-end, visit [www.gmo.com](http://www.gmo.com). Performance shown is net of all fees after reimbursement from GMO. Returns would have been lower had certain expenses not been reimbursed during the periods shown and do not include the effect of taxes on distributions and redemptions. The performance information shown above only includes purchase premiums and/or redemption fees in effect as of February 28, 2018. All information is unaudited. Performance for classes may vary due to different fees.

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# GMO International Large/Mid Cap Equity Fund

(A Series of GMO Trust)

## Investment Concentration Summary

February 28, 2018 (Unaudited)

<b>Asset Class Summary<sup>&amp;</sup></b>	<b>% of Total Net Assets</b>
Common Stocks	95.4%
Preferred Stocks	2.3
Mutual Funds	1.4
Short-Term Investments	0.4
Futures Contracts	0.0 <sup>^</sup>
Other	0.5
	<b>100.0%</b>

<b>Country Summary<sup>□</sup></b>	<b>% of Investments</b>
Japan	27.1%
United Kingdom	13.9
Germany	12.8
France	12.5
Hong Kong	5.5
Switzerland	4.9
Netherlands	4.1
Australia	3.2
Sweden	2.9
United States	2.8
Austria	2.6
Italy	2.5
Other Developed	2.3 <sup>‡</sup>
Spain	1.5
Finland	1.4
	<b>100.0%</b>

<b>Industry Group Summary</b>	<b>% of Equity Investments<sup>#</sup></b>
Capital Goods	12.7%
Materials	11.3
Automobiles & Components	9.2
Banks	8.8
Pharmaceuticals, Biotechnology & Life Sciences	7.9
Insurance	7.7
Technology Hardware & Equipment	6.0
Energy	5.7
Consumer Durables & Apparel	5.6
Food, Beverage & Tobacco	5.1
Real Estate	4.4
Transportation	3.6
Telecommunication Services	2.4
Semiconductors & Semiconductor Equipment	2.1
Diversified Financials	1.9
Software & Services	1.5
Household & Personal Products	1.5
Retailing	0.8
Commercial & Professional Services	0.8
Consumer Services	0.4
Utilities	0.3
Food & Staples Retailing	0.2
Health Care Equipment & Services	0.1
Media	0.0 <sup>^</sup>
	<b>100.0%</b>

<sup>&</sup> In the table above, derivative financial instruments, if any, are based on market values or unrealized appreciation/depreciation, in the case of forward currency contracts, rather than notional amounts.

<sup>□</sup> The table above shows country exposure in the Fund. The table excludes short-term investments. The table excludes exposure through forward currency contracts and includes exposure through other derivative financial instruments, if any. The table takes into account the market value of securities and options and the notional amounts of swap contracts and other derivative financial instruments, if any.

<sup>‡</sup> "Other Developed" is comprised of developed countries that each represent between (1.0)% and 1.0% of Investments.

<sup>#</sup> Equity investments may consist of common stocks and other stock-related securities, such as preferred stocks, if any. This table excludes exposure to derivative contracts, short-term investments, mutual funds and investment funds, if any. For a summary of these exposures, if any, see the Schedule of Investments.

<sup>^</sup> Rounds to 0.0%.

# GMO International Large/Mid Cap Equity Fund

(A Series of GMO Trust)

## Schedule of Investments

(showing percentage of total net assets)

February 28, 2018

Shares	Description	Value (\$)	Shares	Description	Value (\$)
<b>COMMON STOCKS — 95.4%</b>			<b>France — continued</b>		
<b>Australia — 3.2%</b>			41,509	Credit Agricole SA	711,265
98	Australia & New Zealand Banking Group Ltd	2,190	1,235	Sanofi	97,503
22,737	BHP Billiton Ltd	533,916	10,657	SCOR SE	451,820
17,135	Caltex Australia Ltd	464,481	28,091	Societe Generale SA	1,596,120
18,566	Charter Hall Group (REIT)	83,829	16,400	STMicroelectronics NV – NY Shares	373,920
2,141	CIMIC Group Ltd	77,226	26,398	STMicroelectronics NV	600,351
43,807	Downer EDI Ltd	233,681	18,232	TOTAL SA	1,037,013
5,949	Fairfax Media Ltd	3,482		Total France	10,303,075
8,729	Goodman Group (REIT)	55,197	<b>Germany — 10.6%</b>		
40,930	GPT Group (The) (REIT)	150,204	7,883	Allianz SE (Registered)	1,831,152
2,248	IIOF Holdings Ltd	18,109	75	Aurubis AG	6,282
2,495	Macquarie Group Ltd	198,786	2,633	BASF SE	275,068
18,270	Mineral Resources Ltd	266,246	17,959	Bayerische Motoren Werke AG	1,886,860
31,886	Qantas Airways Ltd	145,143	168	Bechtle AG	14,269
1,299	Shopping Centres Australasia Property Group (REIT)	2,249	223	Beiersdorf AG	24,402
293	Sonic Healthcare Ltd	5,528	3,144	Covestro AG	354,676
18,748	Stockland (REIT)	58,601	26,115	Daimler AG (Registered Shares)	2,229,872
1,834	Suncorp Group Ltd	19,147	45,561	Deutsche Lufthansa AG (Registered)	1,521,285
9,858	Westpac Banking Corp	233,618	63	Henkel AG & Co KGaA	7,574
6,074	WorleyParsons Ltd	71,340	900	Leoni AG	61,202
	Total Australia	2,622,973	715	METRO AG	13,945
			148	Rheinmetall AG	19,540
			5,816	RWE AG *	115,600
			198	Siltronic AG *	28,891
			1,937	Uniper SE	58,821
			1,110	Volkswagen AG	220,502
				Total Germany	8,669,941
			<b>Hong Kong — 5.5%</b>		
			108,500	BOC Hong Kong Holdings Ltd	545,265
			197,233	I-CABLE Communications Ltd *	4,937
			96,000	Link (REIT)	816,095
			355,000	SJM Holdings Ltd	338,155
			2,500	Techtronic Industries Co Ltd	15,685
			373,000	WH Group Ltd	459,388
			156,000	Wharf Holdings Ltd (The)	579,588
			156,000	Wharf Real Estate Investment Co Ltd *	1,060,479
			81,000	Wheelock & Co Ltd	587,158
			30,000	Xinyi Glass Holdings Ltd	46,376
			9,500	Yue Yuen Industrial Holdings Ltd	40,604
				Total Hong Kong	4,493,730
			<b>Ireland — 0.1%</b>		
			1,100	ICON Plc *	124,641
			<b>Israel — 0.0%</b>		
			100	Check Point Software Technologies Ltd *	10,389
			400	Teva Pharmaceutical Industries Ltd Sponsored ADR	7,488
				Total Israel	17,877
			<b>France — 12.6%</b>		
32,776	Air France-KLM *	386,777			
380	Amundi SA	30,976			
106	Atos SE	13,944			
71,181	AXA SA	2,229,322			
25,260	BNP Paribas SA	1,997,321			
1,930	Christian Dior SE	716,838			
2,472	CNP Assurances	59,905			

See accompanying notes to the financial statements.

# GMO International Large/Mid Cap Equity Fund

(A Series of GMO Trust)

Schedule of Investments — (Continued)

(showing percentage of total net assets)

February 28, 2018

Shares	Description	Value (\$)	Shares	Description	Value (\$)
<b>Italy — 2.5%</b>			<b>Japan — continued</b>		
477	De' Longhi SPA	13,457	22,500	Mitsubishi Tanabe Pharma Corp	479,256
1,463	Enel SPA	8,492	51,100	Mitsui & Co Ltd	926,132
10,600	EXOR NV	769,176	11,700	Mitsui Chemicals Inc	355,028
7,703	Fiat Chrysler Automobiles NV *	162,595	100	Mitsui Mining & Smelting Co Ltd	4,973
41,800	Fiat Chrysler Automobiles NV	885,742	700	Nexon Co Ltd *	25,223
1,861	Recordati SPA	66,529	3,100	Nichirei Corp	78,829
41,711	Saras SPA	87,431	38,900	Nippon Telegraph & Telephone Corp	1,806,773
4,165	Societa Cattolica di Assicurazioni SC	49,554	2,200	Nisshinbo Holdings Inc	33,406
2,141	Unipol Gruppo SPA	10,648	700	Omron Corp	41,197
	Total Italy	<u>2,053,624</u>	16,100	Otsuka Holdings Co Ltd	807,369
<b>Japan — 27.2%</b>			1,400	Pola Orbis Holdings Inc	58,694
100	Aoyama Trading Co Ltd	4,161	1,200	Resona Holdings Inc	6,798
55,800	Asahi Kasei Corp	715,076	1,400	Rohm Co Ltd	147,047
500	Azbil Corp	22,114	2,400	Rohto Pharmaceutical Co Ltd	66,440
24,000	Brother Industries Ltd	596,866	1,500	Seiko Epson Corp	28,625
29,400	Canon Inc	1,120,398	46,000	Sekisui Chemical Co Ltd	861,826
1,100	Daicel Corp	12,533	8,600	Showa Denko KK	419,669
2,600	Daiwa House Industry Co Ltd	96,325	245,500	Sojitz Corp	801,103
1,000	DCM Holdings Co Ltd	9,846	95,000	Sumitomo Chemical Co Ltd	585,739
1,200	Denka Co Ltd	43,897	900	Sumitomo Corp	15,788
300	Denso Corp	17,510	1,100	Sumitomo Dainippon Pharma Co Ltd	16,736
100	Disco Corp	23,308	400	Suntory Beverage & Food Ltd	18,560
5,900	Fujikura Ltd	43,053	3,800	Takeda Pharmaceutical Co., Ltd	215,463
153,000	Fujitsu Ltd	913,042	2,300	Tokyo Electron Ltd	449,426
100	Fuji Oil Holdings Inc	2,950	11,200	Tokyo Electric Power Co Holdings Inc *	42,847
3,400	Furukawa Electric Co Ltd	185,260	1,000	Tosoh Corp	20,673
1,100	Gree Inc	6,915	39,700	Toyota Tsusho Corp	1,469,900
14,174	Haseko Corp	207,599	200	TS Tech Co Ltd	8,085
1,700	Hino Motors Ltd	22,309	500	Tsumura & Co	16,673
200	Hitachi Chemical Co Ltd	4,442	2,000	Ube Industries Ltd	62,078
236,000	Hitachi Ltd	1,784,656	500	Ulvac Inc	30,489
400	Horiba Ltd	29,579	200	Yokohama Rubber Co Ltd (The)	4,912
2,500	House Foods Group Inc	83,684		Total Japan	<u>22,265,234</u>
200	Ibiden Co Ltd	3,222	<b>Malta — 0.0%</b>		
113,300	ITOCHEU Corp	2,177,914	15,998,662	BGP Holdings Plc <sup>(a)</sup>	—
100	Itochu Techno-Solutions Corp	4,083	<b>Netherlands — 4.2%</b>		
1,100	JSR Corp	26,465	2,772	ASR Nederland NV	124,683
7,440	K's Holdings Corp	206,821	309	BE Semiconductor Industries NV	30,318
100	Kagome Co Ltd	3,401	5,084	Heineken Holding NV	505,712
2,000	Kajima Corp	19,042	102,498	ING Groep NV	1,798,633
300	Keyence Corp	181,680	3,886	Philips Lighting NV	153,944
100	Kobayashi Pharmaceutical Co Ltd	6,490	4,452	Unilever NV CVA	233,000
100	Kose Corp	18,603	3,500	Unilever NV – NY Shares	183,050
200	Lion Corp	3,739	7,582	Wolters Kluwer NV	384,058
203,500	Marubeni Corp	1,550,522		Total Netherlands	<u>3,413,398</u>
1,300	MINEBEA MITSUMI Inc	29,403			
163,900	Mitsubishi Chemical Holdings Corp	1,653,568			
12,300	Mitsubishi Electric Corp	207,470			
13,000	Mitsubishi Gas Chemical Co Inc	321,531			



# GMO International Large/Mid Cap Equity Fund

(A Series of GMO Trust)

Schedule of Investments — (Continued)

(showing percentage of total net assets)

February 28, 2018

Shares	Description	Value (\$)	Shares	Description	Value (\$)
<b>New Zealand — 0.2%</b>			<b>United Kingdom — 14.0%</b>		
30,563	Fletcher Building Ltd	143,340	25,157	3i Group Plc	323,595
2,722	Spark New Zealand Ltd	6,576	31,942	AstraZeneca Plc	2,090,675
	Total New Zealand	149,916	1,277	Bellway Plc	54,435
<b>Norway — 0.6%</b>			20,568	Berkeley Group Holdings Plc (The)	1,088,497
692	Bakkafrost P/F	34,940	36,015	British American Tobacco Plc	2,125,694
5,958	DNB ASA	116,868	8,817	Coca-Cola HBC AG *	288,246
1,291	Norsk Hydro ASA	8,674	1,000	Diageo Plc Sponsored ADR	135,640
3,508	Storebrand ASA	30,515	26,673	Electrocomponents Plc	230,182
14,752	Subsea 7 SA	219,057	17,935	Ferrexpo Plc	76,655
2,825	Telenor ASA	63,397	953	Galliford Try Plc	11,974
	Total Norway	473,451	77,170	GlaxoSmithKline Plc	1,383,946
<b>Portugal — 0.0%</b>			500	GlaxoSmithKline Plc Sponsored ADR	18,155
1,179	CTT-Correios de Portugal SA	4,881	2,198	Hammerson Plc (REIT)	13,472
<b>Singapore — 0.4%</b>			4,305	IG Group Holdings Plc	47,766
800	DBS Group Holdings Ltd	17,193	18,410	Inchcape Plc	171,500
15,500	Venture Corp Ltd	319,582	20,279	Indivior Plc *	105,305
	Total Singapore	336,775	734	Intermediate Capital Group Plc	10,618
<b>Spain — 1.5%</b>			1,244	J Sainsbury Plc	4,422
67,314	Repsol SA	1,195,998	337	Johnson Matthey Plc	14,482
<b>Sweden — 2.9%</b>			11,266	Jupiter Fund Management Plc	78,888
412	Atlas Copco AB – A Shares	17,525	12,256	Kingfisher Plc	60,321
617	Electrolux AB – Series B	20,256	6,956	Man Group Plc	16,345
21,149	Sandvik AB	391,521	89	Mondi Plc	2,315
23,000	Svenska Cellulosa AB SCA – Class B	227,930	4,900	Nomad Foods Ltd *	80,311
93,165	Volvo AB – B Shares	1,751,681	40,922	Persimmon Plc	1,462,901
	Total Sweden	2,408,913	8,037	Reckitt Benckiser Group Plc	637,948
<b>Switzerland — 4.9%</b>			40,659	Royal Mail Plc	313,180
127	Baloise Holding AG (Registered)	19,980	23,559	Sage Group Plc (The)	223,388
97	Bucher Industries AG (Registered)	40,734	103	Spectris Plc	3,849
158	Georg Fischer AG (Registered)	231,288	7,911	WH Smith Plc	220,349
174	LafargeHolcim Ltd (Registered) *	10,142	45,310	WM Morrison Supermarkets Plc	140,560
10,790	Logitech International SA (Registered)	423,486		Total United Kingdom	11,435,614
212	Lonza Group AG (Registered)	53,712		TOTAL COMMON STOCKS (COST \$65,784,025)	78,109,071
3,605	Nestle SA (Registered)	286,421		<b>PREFERRED STOCKS <sup>(b)</sup> — 2.3%</b>	
2,342	Novartis AG (Registered)	195,374		<b>Germany — 2.3%</b>	
1,189	Roche Holding AG	274,635	18,191	Porsche Automobil Holding SE	1,515,303
247	Roche Holding AG	58,207	1,793	Volkswagen AG	348,807
129	Sika AG	1,057,845		Total Germany	1,864,110
44	Straumann Holding AG (Registered)	29,640		TOTAL PREFERRED STOCKS (COST \$1,630,835)	1,864,110
89	Swatch Group AG (The) (Registered)	7,112			
1,849	Swiss Life Holding AG (Registered) *	667,716			
6,605	Swiss Re AG	672,023			
	Total Switzerland	4,028,315			

See accompanying notes to the financial statements.

# GMO International Large/Mid Cap Equity Fund

(A Series of GMO Trust)

Schedule of Investments — (Continued)

(showing percentage of total net assets)

February 28, 2018

Shares	Description	Value (\$)
	<b>MUTUAL FUNDS — 1.4%</b>	
	<b>United States — 1.4%</b>	
	<b>Affiliated Issuers — 1.4%</b>	
47,302	GMO U.S. Treasury Fund	<u>1,181,128</u>
	TOTAL MUTUAL FUNDS (COST \$1,181,854)	<u>1,181,128</u>
	<b>SHORT-TERM INVESTMENTS — 0.4%</b>	
	<b>Money Market Fund — 0.4%</b>	
348,184	State Street Institutional Treasury Money Market Fund-Premier Class, 1.33% <sup>(c)</sup>	<u>348,184</u>
	TOTAL SHORT-TERM INVESTMENTS (COST \$348,184)	<u>348,184</u>
	<b>TOTAL INVESTMENTS — 99.5%</b> (Cost \$68,944,898)	<b><u>81,502,493</u></b>
	Other Assets and Liabilities (net) — 0.5%	<u>392,220</u>
	<b>TOTAL NET ASSETS — 100.0%</b>	<b><u><u>\$81,894,713</u></u></b>

A summary of outstanding financial instruments at February 28, 2018 is as follows:

## Futures Contracts

Number of Contracts +	Type	Expiration Date	Notional Amount	Value/Net Unrealized Appreciation (Depreciation)
Buy 11	Mini MSCI EAFE	March 2018	<u>\$1,120,075</u>	<u>\$(24,404)</u>

+ Buy - Fund is long the futures contract.  
Sales - Fund is short the futures contract.

As of February 28, 2018, for the above contracts and/or agreements, the Fund had sufficient cash and/or securities to cover commitments or collateral requirements, if any, of the relevant broker or exchange.

## Notes to Schedule of Investments:

- \* Non-income producing security.
- (a) Investment valued at fair value using methods determined in good faith by the Trustees of GMO Trust or persons acting at their direction pursuant to procedures approved by the Trustees. Investment valued using significant unobservable inputs (Note 2).
- (b) Preferred dividend rates are disclosed to the extent that a stated rate exists.
- (c) The rate disclosed is the 7 day net yield as of February 28, 2018.

For a listing of definitions of acronyms, counterparty abbreviations and currency abbreviations used throughout the Schedule of Investments as well as the derivative tables, if any, please refer to page 83.

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## **GMO Quality Fund** **(A Series of GMO Trust)**

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### **Portfolio Management**

Day-to-day management of the Fund's portfolio is the responsibility of the Focused Equity team at Grantham, Mayo, Van Otterloo & Co. LLC.

### **Management Discussion and Analysis of Fund Performance**

Although GMO does not manage the Fund to, or control the Fund's risk relative to, any index or securities benchmark, a discussion of the Fund's performance relative to the S&P 500 Index is included for comparative purposes. Please note that there are significant differences between the Fund's portfolio holdings and those companies held in the S&P 500.

Class III shares of GMO Quality Fund returned +23.32% (net) for the fiscal year ended February 28, 2018, as compared with +17.1% for the S&P 500 Index.

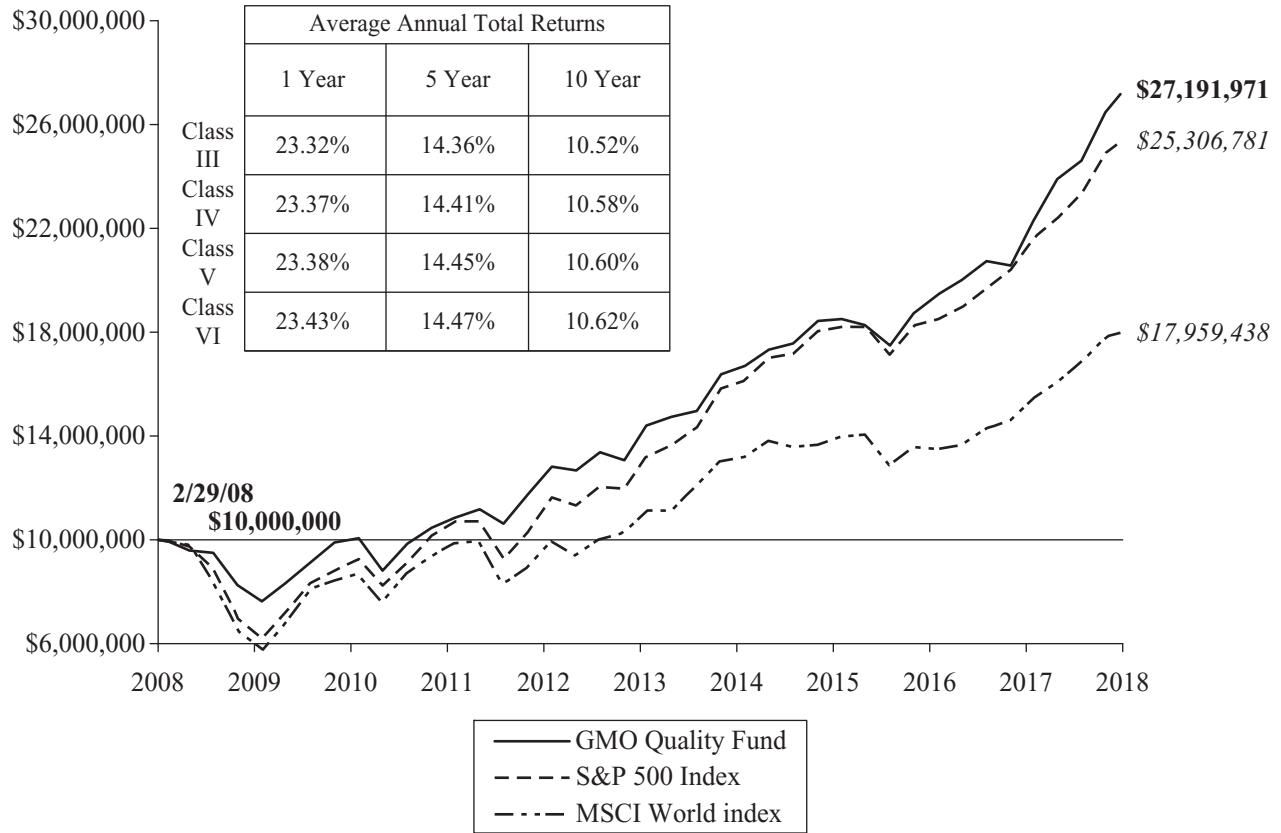
Stock selection had a positive impact on returns relative to the S&P 500 Index. Stock selection in Consumer Staples and Health Care were among the most significant contributors. Stock selection in Information Technology was the most significant detractor. Overweight positions in Microsoft, United Health, and Alphabet, as well as not owning General Electric were significant single stock contributors. Positions in Medtronic and British American Tobacco, as well as not owning Amazon detracted from relative returns.

Sector selection contributed to returns relative to the S&P 500 Index. Sector weightings adding to relative performance included an overweight position in Information Technology and an underweight position in Energy. An overweight position in Consumer Staples and an underweight position in Consumer Discretionary had negative impacts on relative performance.

*The views expressed herein are exclusively those of Grantham, Mayo, Van Otterloo & Co. LLC Management as of the date of this report and are subject to change. GMO disclaims any responsibility to update such views. They are not meant as investment advice. References to specific securities are not recommendations of such securities and may not be representative of any GMO portfolio's current or future investments.*

**GMO Quality Fund**  
(A Series of GMO Trust)

**Comparison of Change in Value of a \$10,000,000 Investment in  
GMO Quality Fund Class III Shares, the S&P 500 Index and MSCI World Index  
As of February 28, 2018**



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 up to the most recent month-end, visit [www.gmo.com](http://www.gmo.com). Performance shown is net of all fees after reimbursement from GMO. Returns would have been lower had certain expenses not been reimbursed during the periods shown and do not include the effect of taxes on distributions and redemptions. The performance information shown above only includes purchase premiums and/or redemption fees in effect as of February 28, 2018. All information is unaudited. Performance for classes may vary due to different fees.

For S&P disclaimers please visit [http://www.gmo.com/America/\\_Disclaimers/\\_BenchmarkDisclaimers.htm](http://www.gmo.com/America/_Disclaimers/_BenchmarkDisclaimers.htm).

**GMO Quality Fund**  
**(A Series of GMO Trust)**  
**Investment Concentration Summary**  
**February 28, 2018 (Unaudited)**

<b>Asset Class Summary</b> &	<b>% of Total Net Assets</b>
Common Stocks	97.5%
Short-Term Investments	1.8
Mutual Funds	0.6
Other	0.1
	<b>100.0%</b>

<b>Country Summary</b> ⊠	<b>% of Investments</b>
United States	88.2%
United Kingdom	5.6
Switzerland	2.4
Taiwan	2.1
Other Developed	1.7‡
	<b>100.0%</b>

<b>Industry Group Summary</b>	<b>% of Equity Investments</b> #
Software & Services	29.7%
Health Care Equipment & Services	14.0
Technology Hardware & Equipment	10.3
Semiconductors & Semiconductor Equipment	7.1
Pharmaceuticals, Biotechnology & Life Sciences	7.1
Food, Beverage & Tobacco	6.4
Banks	5.1
Capital Goods	4.8
Household & Personal Products	3.3
Food & Staples Retailing	3.0
Diversified Financials	2.6
Retailing	2.3
Consumer Durables & Apparel	1.6
Materials	1.4
Energy	0.9
Consumer Services	0.4
	<b>100.0%</b>

& In the table above, derivative financial instruments, if any, are based on market values or unrealized appreciation/depreciation, in the case of forward currency contracts, rather than notional amounts.

⊠ The table above shows country exposure in the Fund. The table excludes short-term investments. The table excludes exposure through forward currency contracts and includes exposure through other derivative financial instruments, if any. The table takes into account the market value of securities and options and the notional amounts of swap contracts and other derivative financial instruments, if any.

‡ “Other Developed” is comprised of developed countries that each represent between (1.0)% and 1.0% of Investments.

# Equity investments may consist of common stocks and other stock-related securities, such as preferred stocks, if any. This table excludes exposure to derivative contracts, short-term investments, mutual funds and investment funds, if any. For a summary of these exposures, if any, see the Schedule of Investments.

**GMO Quality Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments**  
**(showing percentage of total net assets)**  
**February 28, 2018**

Shares	Description	Value (\$)	Shares	Description	Value (\$)
<b>COMMON STOCKS — 97.5%</b>			<b>Household &amp; Personal Products — 3.2%</b>		
<b>Banks — 5.0%</b>			1,182,540	Reckitt Benckiser Group Plc	93,865,737
3,795,862	US Bancorp	206,343,058	3,321,333	Unilever Plc	170,776,763
3,454,987	Wells Fargo & Co.	201,805,791	Total Household & Personal Products		
Total Banks			<u>264,642,500</u>		
408,148,849			<b>Materials — 1.4%</b>		
<b>Capital Goods — 4.7%</b>			946,502	Monsanto Co.	116,769,952
277,804	3M Co.	65,425,620	<b>Pharmaceuticals, Biotechnology &amp; Life Sciences — 6.9%</b>		
1,095,884	Emerson Electric Co.	77,873,517	529,876	Eli Lilly & Co.	40,811,050
528,619	Honeywell International, Inc.	79,879,617	2,928,340	Johnson & Johnson	380,332,799
1,189,111	United Technologies Corp.	160,220,816	355,789	Novartis AG (Registered)	29,680,546
Total Capital Goods			1,929,243	Pfizer, Inc.	70,050,813
<u>383,399,570</u>			202,370	Roche Holding AG	46,743,418
<b>Consumer Durables &amp; Apparel — 1.5%</b>			Total Pharmaceuticals, Biotechnology & Life Sciences		
231,625	LVMH Moet Hennessy Louis Vuitton SE	69,278,362	<u>567,618,626</u>		
745,955	VF Corp.	55,625,865	<b>Retailing — 2.2%</b>		
Total Consumer Durables & Apparel			2,199,460	TJX Cos, Inc. (The)	181,851,353
<u>124,904,227</u>			<b>Semiconductors &amp; Semiconductor Equipment — 7.0%</b>		
<b>Consumer Services — 0.4%</b>			394,974	Analog Devices, Inc.	35,606,906
1,486,871	Compass Group Plc	31,588,849	3,471,418	QUALCOMM, Inc.	225,642,170
<b>Diversified Financials — 2.5%</b>			20,700,577	Taiwan Semiconductor Manufacturing Co Ltd	171,889,194
2,125,475	American Express Co.	207,255,067	1,284,701	Texas Instruments, Inc.	139,197,353
<b>Energy — 0.9%</b>			Total Semiconductors & Semiconductor Equipment		
1,123,622	Schlumberger Ltd.	73,754,548	<u>572,335,623</u>		
<b>Food &amp; Staples Retailing — 2.9%</b>			<b>Software &amp; Services — 28.9%</b>		
978,490	Costco Wholesale Corp.	186,793,741	1,635,548	Accenture Plc – Class A	263,339,584
758,673	CVS Health Corp.	51,384,922	278,212	Alphabet, Inc. – Class A *	307,123,791
Total Food & Staples Retailing			258,799	Alphabet, Inc. – Class C *	285,903,019
<u>238,178,663</u>			2,704,994	Cognizant Technology Solutions Corp. – Class A	221,863,608
<b>Food, Beverage &amp; Tobacco — 6.3%</b>			708,807	Mastercard, Inc. – Class A	124,579,918
2,636,014	British American Tobacco Plc	155,584,033	5,992,628	Microsoft Corp.	561,928,728
2,507,302	Coca-Cola Co. (The)	108,365,592	9,903,723	Oracle Corp.	501,821,644
1,433,702	Nestle SA (Registered)	113,909,071	619,691	SAP SE	64,670,585
286,326	PepsiCo, Inc.	31,418,552	1,096,014	Teradata Corp. *	40,355,235
1,002,165	Philip Morris International, Inc.	103,774,186	Total Software & Services		
Total Food, Beverage & Tobacco			<u>2,371,586,112</u>		
<u>513,051,434</u>			<b>Technology Hardware &amp; Equipment — 10.1%</b>		
<b>Health Care Equipment &amp; Services — 13.6%</b>			542,979	Amphenol Corp. – Class A	49,622,851
2,049,266	Abbott Laboratories	123,632,218	2,943,315	Apple, Inc.	524,263,268
571,516	Anthem, Inc.	134,523,436	5,572,534	Cisco Systems, Inc.	249,538,072
371,672	Becton Dickinson and Co.	82,518,617	Total Technology Hardware & Equipment		
203,165	Humana, Inc.	55,224,310	<u>823,424,191</u>		
2,881,435	Medtronic Plc	230,197,842	<b>TOTAL COMMON STOCKS</b>		
536,311	Stryker Corp.	86,968,192	<b>(COST \$5,369,294,966)</b>		
1,784,317	UnitedHealth Group, Inc.	403,541,133	<u>7,995,115,312</u>		
Total Health Care Equipment & Services			<u>1,116,605,748</u>		

**GMO Quality Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments — (Continued)**  
**(showing percentage of total net assets)**  
**February 28, 2018**

Shares / Par Value†	Description	Value (\$)
<b>MUTUAL FUNDS — 0.6%</b>		
<b>Affiliated Issuers — 0.6%</b>		
2,046,137	GMO U.S. Treasury Fund	<u>51,092,040</u>
TOTAL MUTUAL FUNDS (COST \$51,112,501)		<u>51,092,040</u>
<b>SHORT-TERM INVESTMENTS — 1.8%</b>		
<b>Money Market Funds — 0.0%</b>		
1,737,793	State Street Institutional Treasury Money Market Fund-Premier Class, 1.33% <sup>(a)</sup>	<u>1,737,793</u>
<b>U.S. Government — 1.8%</b>		
70,000,000	U.S. Treasury Bill, -1.63%, due 07/26/18 <sup>(b)</sup>	69,499,078
58,000,000	U.S. Treasury Bill, 1.82%, due 08/16/18 <sup>(b)</sup>	57,515,168
20,000,000	U.S. Treasury Bill, 1.85%, due 08/23/18 <sup>(b)</sup>	<u>19,825,972</u>
TOTAL U.S. GOVERNMENT (COST \$146,887,407)		<u>146,840,218</u>
TOTAL SHORT-TERM INVESTMENTS (COST \$148,625,200)		<u>148,578,011</u>
<b>TOTAL INVESTMENTS — 99.9%</b> (Cost \$5,569,032,667)		<b>8,194,785,363</b>
Other Assets and Liabilities (net) — 0.1%		<u>5,280,222</u>
<b>TOTAL NET ASSETS — 100.0%</b>		<b><u><u>\$8,200,065,585</u></u></b>

**Notes to Schedule of Investments:**

† Denominated in U.S. Dollar, unless otherwise indicated.

\* Non-income producing security.

(a) The rate disclosed is the 7 day net yield as of February 28, 2018.

(b) The rate shown represents yield-to-maturity.

For a listing of definitions of acronyms, counterparty abbreviations and currency abbreviations used throughout the Schedule of Investments as well as the derivative tables, if any, please refer to page 83.



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## **GMO Resources Fund** **(A Series of GMO Trust)**

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### **Portfolio Management**

Day-to-day management of the Fund's portfolio is the responsibility of the Focused Equity Team at Grantham, Mayo, Van Otterloo & Co. LLC.

### **Management Discussion and Analysis of Fund Performance**

Class III shares of GMO Resources Fund returned 26.00% (net) for the period ended February 28, 2018, as compared with 12.66% for the MSCI ACWI Commodity Producers.

The Fund's large underweight to energy provided both positive allocation and selection impacts. In particular, the clean energy securities were up over 130% with SolarEdge Technologies and First Solar leading the way.

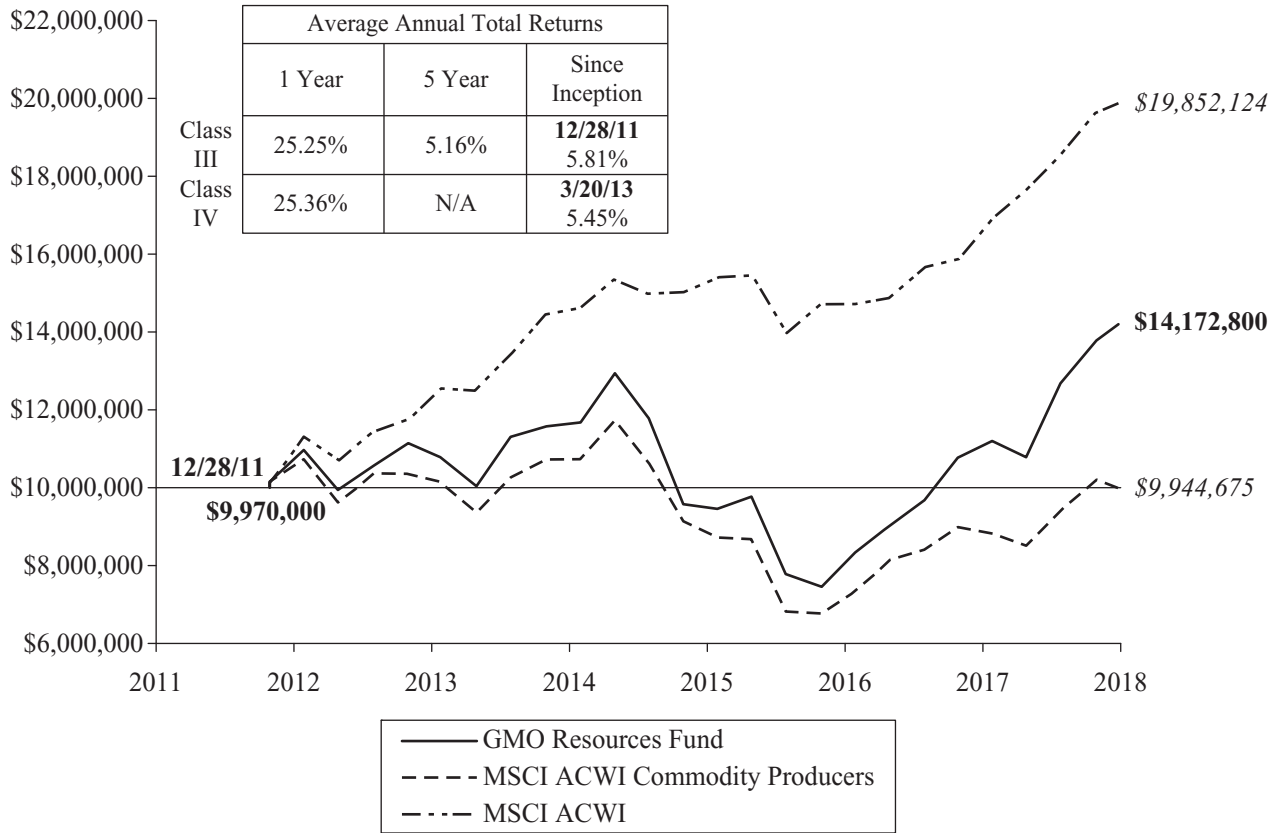
The Fund's overweight to industrial metals provided positive allocation and selection impacts. Quimica Y Minera, Anglo American, and Bradespar were among the largest contributors.

The Fund's overweight to agriculture provided positive allocation and negative selection impacts. The Fund's farming exposure suffered from lower grain prices that detracted from the Fund's return.

*The views expressed herein are exclusively those of Grantham, Mayo, Van Otterloo & Co. LLC as of the date of this report and are subject to change. GMO disclaims any responsibility to update such views. They are not meant as investment advice. References to specific securities are not recommendations of such securities and may not be representative of any GMO portfolio's current or future investments.*

**GMO Resources Fund**  
(A Series of GMO Trust)

**Comparison of Change in Value of a \$10,000,000 Investment in  
GMO Resources Fund Class III Shares, the MSCI ACWI Commodity Producers and MSCI ACWI  
As of February 28, 2018**



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 up to the most recent month-end, visit [www.gmo.com](http://www.gmo.com). Performance shown is net of all fees after reimbursement from GMO. Each performance figure assumes a purchase at the beginning and redemption at the end of the stated period and reflects a transaction fee of .30% on the purchase and .30% on the redemption. Transaction fees are retained by the Fund to cover trading costs. Returns would have been lower had certain expenses not been reimbursed during the periods shown and do not include the effect of taxes on distributions and redemptions. All information is unaudited. Performance for classes may vary due to different fees.

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**GMO Resources Fund**  
**(A Series of GMO Trust)**  
**Investment Concentration Summary**  
**February 28, 2018 (Unaudited)**

<b>Asset Class Summary</b> <sup>&amp;</sup>	<b>% of Total Net Assets</b>
Common Stocks	87.2%
Preferred Stocks	10.5
Mutual Funds	1.8
Short-Term Investments	0.3
Other	0.2
	<b>100.0%</b>

# Equity investments may consist of common stocks and other stock-related securities, such as preferred stocks, if any. This table excludes exposure to derivative contracts, short-term investments, mutual funds and investment funds, if any. For a summary of these exposures, if any, see the Schedule of Investments.

<b>Country Summary</b> <sup>□</sup>	<b>% of Equity Investments</b>
United Kingdom	21.8%
United States	16.1
Russia	12.0
Norway	6.7
Brazil	6.1
Japan	5.2
France	3.8
Chile	3.1
Other Emerging	2.8 <sup>†</sup>
China	2.5
Denmark	2.5
Thailand	2.4
Australia	2.1
Poland	2.0
Other Developed	2.0 <sup>‡</sup>
Israel	1.8
South Africa	1.8
Spain	1.3
Canada	1.3
Germany	1.3
Ukraine	0.8
Colombia	0.6
	<b>100.0%</b>

<b>Industry Group Summary</b>	<b>% of Equity Investments</b> <sup>#</sup>
Energy	42.5%
Industrial Metals	39.9
Agriculture	15.0
Water	2.6
	<b>100.0%</b>

& In the table above, derivative financial instruments, if any, are based on market values or unrealized appreciation/depreciation, in the case of forward currency contracts, rather than notional amounts.

□ The table above shows country exposure in the Fund. The table excludes short-term investments. The table excludes exposure through forward currency contracts and includes exposure through other derivative financial instruments, if any. The table takes into account the market value of securities and options and the notional amounts of swap contracts and other derivative financial instruments, if any.

† “Other Emerging” is comprised of emerging countries that each represent between (1.0)% and 1.0% of Investments.

‡ “Other Developed” is comprised of developed countries that each represent between (1.0)% and 1.0% of Investments.

**GMO Resources Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments**  
**(showing percentage of total net assets)**  
**February 28, 2018**

Shares	Description	Value (\$)	Shares	Description	Value (\$)
<b>COMMON STOCKS — 87.2%</b>			<b>France — continued</b>		
<b>Argentina — 0.8%</b>			89,947	Veolia Environnement SA	2,184,641
314,900	Adecoagro SA *	2,830,951	11,551	Vilmorin & Cie SA	1,049,140
			Total France		
			13,208,665		
<b>Australia — 2.1%</b>			<b>Germany — 1.3%</b>		
184,464	Beach Energy Ltd	186,814	111,744	K+S AG (Registered)	3,111,823
250,954	Mineral Resources Ltd	3,657,106	54,246	Nordex SE *	623,258
248,503	Sandfire Resources NL	1,460,962	96,011	PNE Wind AG (Registered)	345,280
213,663	Tassal Group Ltd	628,124	27,027	Senvion SA *	326,648
40,403	Woodside Petroleum Ltd	901,893	Total Germany		
56,213	WorleyParsons Ltd	660,233	4,407,009		
Total Australia			7,495,132		
<b>Austria — 0.7%</b>			<b>Hungary — 0.6%</b>		
45,826	OMV AG	2,605,586	205,430	MOL Hungarian Oil & Gas Plc	2,240,381
<b>Brazil — 0.6%</b>			<b>India — 0.5%</b>		
126,800	Cosan SA Industria e Comercio	1,693,713	612,003	Oil & Natural Gas Corp Ltd	1,745,174
91,757	Sao Martinho SA	518,569	<b>Israel — 1.8%</b>		
Total Brazil			936,708	Israel Chemicals Ltd	3,981,542
2,212,282			8,050	Israel Corp Ltd (The) *	1,566,297
<b>Canada — 1.3%</b>			10,565	Jerusalem Oil Exploration *	630,261
158,700	Canadian Solar Inc *	2,491,590	Total Israel		
17,631	Nutrien Ltd *	868,327	6,178,100		
24,540	Nutrien Ltd *	1,205,772	<b>Italy — 0.3%</b>		
Total Canada			269,947	Saipem SPA *	1,095,869
4,565,689			<b>Japan — 5.2%</b>		
<b>China — 2.5%</b>			128,700	ADEKA Corp	2,340,369
1,815,000	China High Speed Transmission Equipment Group Co Ltd	3,123,611	55,600	Ebara Corp	2,051,923
936,000	China Singyes Solar Technologies Holdings Ltd *	373,303	241,900	Hitachi Zosen Corp	1,217,648
1,080,000	First Tractor Co Ltd – Class H	426,409	24,300	Japan Petroleum Exploration Co Ltd	562,661
255,100	Inner Mongolia Eerduosi Resources Co Ltd – Class A	499,253	160,200	Mitsubishi Materials Corp	5,000,297
6,154,000	Shunfeng International Clean Energy Ltd *	285,167	24,800	Modec Inc	619,056
2,598,000	Xinjiang Goldwind Science & Technology Co Ltd – Class H	4,064,647	22,500	Nittetsu Mining Co Ltd	1,508,381
Total China			63,000	Shinko Plantech Co Ltd	562,709
8,772,390			124,900	Sumitomo Forestry Co Ltd	2,082,306
<b>Colombia — 0.6%</b>			25,521	Sumitomo Metal Mining Co Ltd	1,185,146
2,533,487	Ecopetrol SA	2,219,235	49,800	Takuma Co Ltd	596,132
<b>Denmark — 2.5%</b>			18,300	Toyo Kanetsu KK	580,673
120,566	Vestas Wind Systems A/S	8,713,430	Total Japan		
<b>Finland — 0.2%</b>			18,307,301		
40,529	Kemira Oyj	553,189	<b>Netherlands — 0.1%</b>		
<b>France — 3.8%</b>			16,083	SIF Holding NV	317,887
138,597	Suez	1,903,507	<b>Norway — 6.6%</b>		
141,905	TOTAL SA	8,071,377	307,504	Austevoll Seafood ASA	2,756,648
			31,071	Bakkafrost P/F	1,568,796
			234,359	Grieg Seafood ASA	2,060,931
			239,025	Leroy Seafood Group ASA	1,428,637
			108,001	Ocean Yield ASA	994,852

**GMO Resources Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments — (Continued)**  
**(showing percentage of total net assets)**  
**February 28, 2018**

Shares	Description	Value (\$)	Shares	Description	Value (\$)
<b>Norway — continued</b>			<b>Sweden — continued</b>		
184,761	Petroleum Geo-Services ASA *	586,138	47,068	Tethys Oil AB	367,100
53,734	Salmar ASA	1,910,334		Total Sweden	2,081,992
199,799	Statoil ASA	4,547,726			
158,459	Subsea 7 SA	2,353,008			
114,488	Yara International ASA	5,058,899			
	Total Norway	23,265,969			
<b>Poland — 2.0%</b>			<b>Thailand — 2.4%</b>		
16,129	Grupa Azoty SA	273,312	1,747,900	Esso Thailand Plc *	987,570
188,109	KGHM Polska Miedz SA	5,708,629	568,164	PTT Exploration & Production Plc (Foreign Registered)	2,069,469
532,322	Polskie Gornictwo Naftowe i Gazownictwo SA	937,988	291,421	PTT Plc (Foreign Registered)	5,227,810
	Total Poland	6,919,929		Total Thailand	8,284,849
<b>Qatar — 0.1%</b>			<b>Turkey — 0.1%</b>		
76,406	Gulf International Services QSC *	366,488	25,467	Turk Traktor ve Ziraat Makineleri AS	517,491
<b>Russia — 10.0%</b>			<b>Ukraine — 0.8%</b>		
1,314,680	Gazprom Neft PJSC	6,597,851	191,135	Kernel Holding SA	2,711,578
128,944	LUKOIL PJSC Sponsored ADR	8,544,241			
35,993	Novatek PJSC Sponsored GDR (Registered)	4,886,887			
145,157	PhosAgro PJSC GDR (Registered)	2,205,231			
513,398	Ros Agro Plc GDR (Registered)	5,075,531			
484,031	Rosneft PJSC GDR (Registered)	2,804,848			
9	Surgutneftegas OJSC	5			
65,437	Tatneft PJSC Sponsored ADR	4,094,375			
79,948	TMK PJSC GDR (Registered)	455,046			
145,590	Uralkali PJSC *	267,240			
	Total Russia	34,931,255			
<b>Singapore — 0.1%</b>			<b>United Kingdom — 21.7%</b>		
3,529,686	Ezion Holdings Ltd * (a)	174,788	750,151	Anglo American Plc	18,167,615
2,725,600	Ezra Holdings Ltd * (b)	22,632	618,694	BHP Billiton Plc	12,560,091
	Total Singapore	197,420	538,857	BP Plc	3,502,439
<b>South Africa — 1.8%</b>			1,259,238	EnQuest Plc *	512,315
133,341	African Rainbow Minerals Ltd	1,359,482	2,526,449	Glencore Plc *	13,285,715
123,867	Sasol Ltd	4,311,381	243,018	Petrofac Ltd	1,488,123
52,644	Tongaat Hulett Ltd	480,349	161,772	Polypipe Group Plc	865,409
	Total South Africa	6,151,212	403,088	Premier Oil Plc *	394,180
<b>South Korea — 0.6%</b>			347,006	Rio Tinto Plc	18,601,158
4,416	Korea Zinc Co Ltd	2,083,982	138,961	Royal Dutch Shell Plc A Shares (London)	4,388,542
			73,123	Royal Dutch Shell Plc B Shares (London)	2,319,403
<b>Spain — 1.3%</b>				Total United Kingdom	76,084,990
236,009	Repsol SA	4,193,278			
14,359	Tecnicas Reunidas SA	465,313			
	Total Spain	4,658,591			
<b>Sweden — 0.6%</b>			<b>United States — 14.2%</b>		
48,501	Boliden AB	1,714,892	216,002	Chesapeake Energy Corp. *	609,126
			13,600	Deere & Co.	2,187,832
			334,408	Denbury Resources, Inc. *	732,353
			53,500	Diamond Offshore Drilling, Inc. *	775,750
			321,084	Ensco Plc – Class A	1,425,613
			60,700	First Solar, Inc. *	3,814,995
			993,754	Freeport-McMoRan, Inc. *	18,483,824
			141,618	Gran Tierra Energy, Inc. *	354,045
			237,800	Noble Corp Plc *	922,664
			80,400	Renewable Energy Group, Inc. *	892,440
			23,000	Rexnord Corp. *	666,540
			78,000	Rowan Cos Plc – Class A *	948,480
			346,055	SolarEdge Technologies, Inc. *	17,320,053
			31,764	Unit Corp. *	608,598
				Total United States	49,742,313
				TOTAL COMMON STOCKS (COST \$232,041,394)	305,466,329

**GMO Resources Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments — (Continued)**  
**(showing percentage of total net assets)**  
**February 28, 2018**

Shares	Description	Value (\$)
<b>PREFERRED STOCKS <sup>(c)</sup> — 10.5%</b>		
<b>Brazil — 5.4%</b>		
1,799,199	Bradespar SA	18,934,562
<b>Chile — 3.1%</b>		
216,378	Sociedad Quimica y Minera de Chile SA Sponsored ADR	10,797,262
<b>Russia — 2.0%</b>		
46,950	Bashneft PJSC *	1,341,536
7,078,784	Surgutneftegas OJSC *	3,693,068
280,511	Tatneft PJSC *	2,000,491
	Total Russia	7,035,095
	TOTAL PREFERRED STOCKS (COST \$19,823,566)	36,766,919
<b>MUTUAL FUNDS — 1.8%</b>		
<b>United States — 1.8%</b>		
<b>Affiliated Issuers — 1.8%</b>		
260,493	GMO U.S. Treasury Fund	6,504,509
	TOTAL MUTUAL FUNDS (COST \$6,506,313)	6,504,509
<b>SHORT-TERM INVESTMENTS — 0.3%</b>		
<b>Money Market Funds — 0.3%</b>		
952,465	State Street Institutional Treasury Money Market Fund-Premier Class, 1.33% <sup>(d)</sup>	952,465
	TOTAL SHORT-TERM INVESTMENTS (COST \$952,465)	952,465
	<b>TOTAL INVESTMENTS — 99.8%</b> (Cost \$259,323,738)	<b>349,690,222</b>
	Other Assets and Liabilities (net) — 0.2%	543,348
	<b>TOTAL NET ASSETS — 100.0%</b>	<b>\$350,233,570</b>

For a listing of definitions of acronyms, counterparty abbreviations and currency abbreviations used throughout the Schedule of Investments as well as the derivative tables, if any, please refer to page 83.

**Notes to Schedule of Investments:**

- \* Non-income producing security.
- (a) Investment valued at fair value using methods determined in good faith by the Trustees of GMO Trust or persons acting at their direction pursuant to procedures approved by the Trustees. Investment valued using significant unobservable inputs (Note 2).
- (b) Investment valued using significant unobservable inputs (Note 2).
- (c) Preferred dividend rates are disclosed to the extent that a stated rate exists.
- (d) The rate disclosed is the 7 day net yield as of February 28, 2018.

## **GMO Risk Premium Fund**

**(A Series of GMO Trust)**

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### **Portfolio Management**

Day-to-day management of the Fund's portfolio is the responsibility of the Global Equity team at Grantham, Mayo, Van Otterloo & Co. LLC.

### **Management Discussion and Analysis of Fund Performance**

Although the Fund is not managed relative to any securities market index or benchmark, a discussion of the Fund's performance relative to the MSCI World Index is included for comparative purposes.

Class III shares of GMO Risk Premium Fund returned +6.09% (net) for the fiscal year ended February 28, 2018, as compared with +17.36% for the MSCI World Index. As of March 31, 2018, the Fund's benchmark will be changing to the CBOE S&P 500 PutWrite Index, which GMO believes to be a better representation of the Fund's strategy.

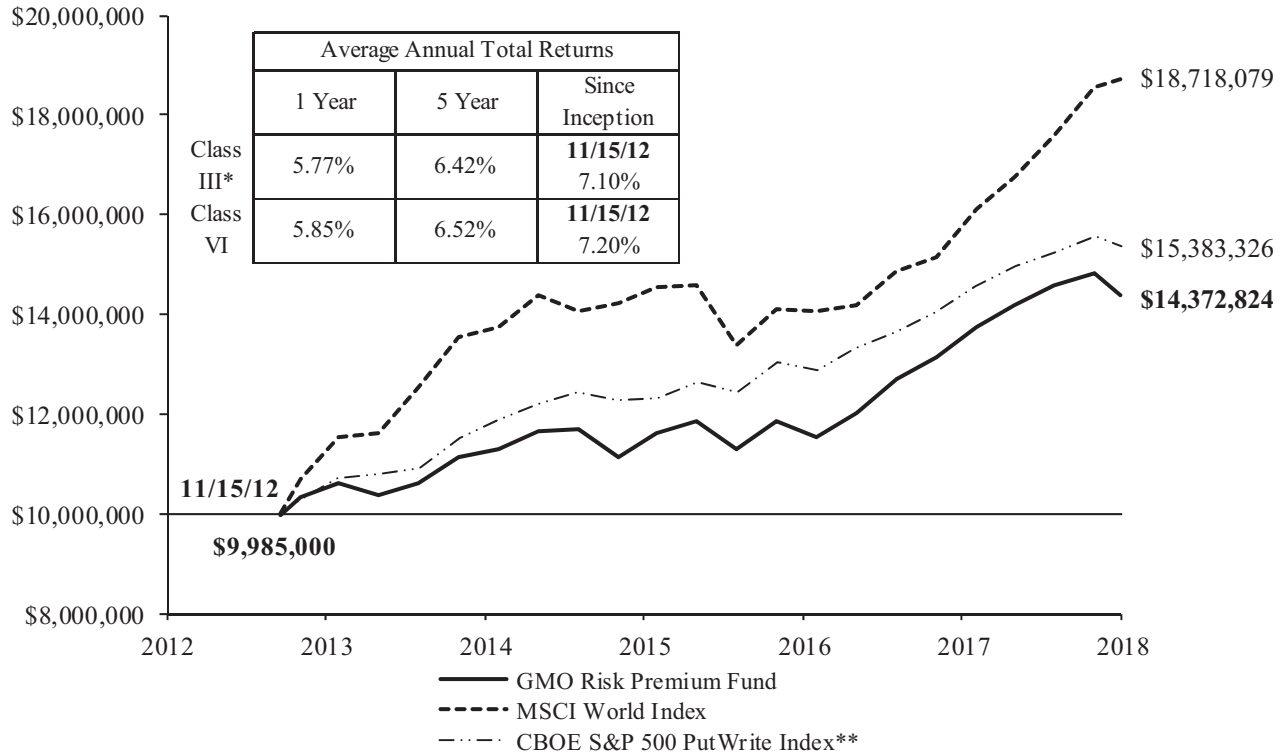
Because the Fund gains its investment exposure by writing (selling) options on equity indices, the Fund typically benefits (relative to equity markets) in a sharply or modestly declining market, a trending market, or a modestly climbing market. During periods when equity markets increase sharply, such as during the Fund's fiscal period, the Fund may tend to underperform the equity markets. The Fund's geographic exposure during the fiscal year was mainly in the U.S. and Europe, with positions in Europe making the largest positive contribution to performance in early to mid-2017, before modestly detracting from performance in early 2018.

*The views expressed herein are exclusively those of Grantham, Mayo, Van Otterloo & Co. LLC as of the date of this report and are subject to change. GMO disclaims any responsibility to update such views. They are not meant as investment advice. References to specific securities are not recommendations of such securities and may not be representative of any GMO portfolio's current or future investments.*



**GMO Risk Premium Fund**  
(A Series of GMO Trust)

**Comparison of Change in Value of a \$10,000,000 Investment in  
GMO Risk Premium Fund Class III Shares, the MSCI World Index  
and the CBOE S&P 500 PutWrite Index  
As of February 28, 2018**



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 up to the most recent month-end, visit [www.gmo.com](http://www.gmo.com). Performance shown is net of all fees after reimbursement from GMO. Each performance figure assumes a purchase at the beginning and redemption at the end of the stated period and reflects a transaction fee of .15% on the purchase and .15% on the redemption. Transaction fees are retained by the Fund to cover trading costs. Returns would have been lower had certain expenses not been reimbursed during the periods shown and do not include the effect of taxes on distributions and redemptions. All information is unaudited. Performance for classes may vary due to different fees.

\* For the period from November 15, 2012 to December 14, 2012, no Class III shares were outstanding. Performance for that period is that of Class VI, which has lower expenses. Therefore, the performance shown is higher than it would have been if Class III expenses had been applied throughout.

\*\* Effective March 31, 2018, the Fund changed its benchmark to the CBOE S&P 500 PutWrite Index because GMO believes the CBOE S&P 500 PutWrite Index is more representative of the Fund's investment strategy.

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**GMO Risk Premium Fund**  
**(A Series of GMO Trust)**  
**Investment Concentration Summary**  
**February 28, 2018 (Unaudited)**

Asset Class Summary <sup>&amp;</sup>	% of Total Net Assets
Debt Obligations	51.3%
Short-Term Investments	47.4
Written Options	(0.8)
Other	2.1
	<b>100.0%</b>

<sup>&</sup> In the table above, derivative financial instruments, if any, are based on market values or unrealized appreciation/depreciation, in the case of forward currency contracts, rather than notional amounts.

**GMO Risk Premium Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments**  
**(showing percentage of total net assets)**  
**February 28, 2018**

Par Value† / Shares	Description	Value (\$)	Shares / Par Value†	Description	Value (\$)
<b>DEBT OBLIGATIONS — 51.3%</b>			<b>U.S. Government — 44.4%</b>		
<b>U.S. Government — 37.6%</b>			20,750,000	U.S. Treasury Bill, 1.53%, due 04/26/18 <sup>(c)</sup>	20,700,695
30,000,000	U.S. Treasury Note, 1.00%, due 11/30/18 <sup>(a)</sup>	29,777,344	25,000,000	U.S. Treasury Bill, 1.74%, due 07/12/18 <sup>(a)(c)</sup>	24,841,601
25,000,000	U.S. Treasury Note, USBM + 0.05%, 1.70%, due 10/31/19	25,015,672	1,500,000	U.S. Treasury Bill, 1.82%, due 08/23/18 <sup>(c)</sup>	1,486,948
	Total U.S. Government	54,793,016	17,700,000	U.S. Treasury Note, 1.50%, due 08/31/18 <sup>(a)</sup>	17,662,664
<b>U.S. Government Agency — 13.7%</b>			<b>TOTAL U.S. GOVERNMENT</b> (COST \$64,746,760)		
10,000,000	Federal Home Loan Bank, Variable Rate, 1 mo. U.S. LIBOR – 0.11%, 1.49%, due 04/22/19	9,996,768	<b>U.S. Government Agency — 2.1%</b>		
10,000,000	Federal Home Loan Banks, Variable Rate, 3 mo. U.S. LIBOR – 0.16%, 1.39%, due 06/12/19	9,996,917	3,000,000	Federal Home Loan Bank, Variable Rate, 3 mo. LIBOR – 0.25%, 1.49%, due 10/18/18	2,999,475
	Total U.S. Government Agency	19,993,685	<b>TOTAL U.S. GOVERNMENT AGENCY</b> (COST \$2,999,016)		
<b>TOTAL DEBT OBLIGATIONS</b> (COST \$74,902,354)			<b>TOTAL SHORT-TERM INVESTMENTS</b> (COST \$68,985,631)		
		74,786,701	<b>TOTAL INVESTMENTS — 98.7%</b> (Cost \$143,887,985)		
<b>SHORT-TERM INVESTMENTS — 47.4%</b>			<b>Other Assets and Liabilities (net) — 1.3%</b>		
<b>Money Market Funds — 0.9%</b>			<b>TOTAL NET ASSETS — 100.0%</b>		
1,239,855	State Street Institutional Treasury Money Market Fund-Premier Class, 1.33% <sup>(b)</sup>	1,239,855	<b>\$145,671,598</b>		
<b>TOTAL MONEY MARKET FUNDS</b> (COST \$1,239,855)					
		1,239,855			

A summary of outstanding financial instruments at February 28, 2018 is as follows:

**Written Options - Puts**

**Index Options**

Description	Counterparty	Exercise Price	Expiration Date	Number of Contracts	Notional Amount	Value (\$)
Euro STOXX 50	GSCO	3,400.00	03/16/18	674	EUR 23,178,590	\$ (338,564)
FTSE 100 Index	MSLC	7,275.00	03/16/18	139	GBP 10,052,355	(239,974)
S&P 500 Index	MSLC	2,715.00	03/02/18	150	USD 40,707,450	(205,500)
S&P 500 Index	MSLC	2,720.00	03/02/18	192	USD 52,105,536	(301,440)
S&P ASX 200 Index	MSLC	5,925.00	03/15/18	152	USD 9,144,320	(52,294)
<b>TOTAL INDEX OPTIONS - PUTS</b> (Premiums \$1,564,787)						<b>\$(1,137,772)</b>

As of February 28, 2018, for the above contracts and/or agreements, the Fund had sufficient cash and/or securities to cover commitments or collateral requirements, if any, of the relevant broker or exchange.

**Notes to Schedule of Investments:**

The rates shown on variable rate notes are the current interest rates at February 28, 2018, which are subject to change based on the terms of the security.

† Denominated in U.S. Dollar, unless otherwise indicated.

(a) All or a portion of this security has been pledged to cover margin requirements on futures and/or cleared swap contracts, collateral on OTC swap contracts, forward currency contracts, and/or written options, if any (Note 4).

(b) The rate disclosed is the 7 day net yield as of February 28, 2018.

(c) The rate shown represents yield-to-maturity.

For a listing of definitions of acronyms, counterparty abbreviations and currency abbreviations used throughout the Schedule of Investments as well as the derivative tables, if any, please refer to page 83.

## **GMO Tax-Managed International Equities Fund**

**(A Series of GMO Trust)**

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### **Portfolio Management**

Day-to-day management of the Fund's portfolio is the responsibility of the Global Equity team at Grantham, Mayo, Van Otterloo & Co. LLC.

### **Management Discussion and Analysis of Fund Performance**

Although the Fund is not managed relative to any securities market index or benchmark, a discussion of the Fund's performance relative to the MSCI EAFE Index is included for comparative purposes.

Class III shares of GMO Tax-Managed International Equities Fund returned +22.70% (net) for the fiscal year ended February 28, 2018, as compared with +20.13% for the MSCI EAFE Index.

The Fund added value from stock selection decisions, with additional positive contributions from region, country, and sector allocations. The Fund's stock selection in Europe was the largest positive contributor to performance relative to the benchmark, with additional notable contributions from stock selection in Australia. Exposure to emerging markets was the top contributor from an allocation perspective.

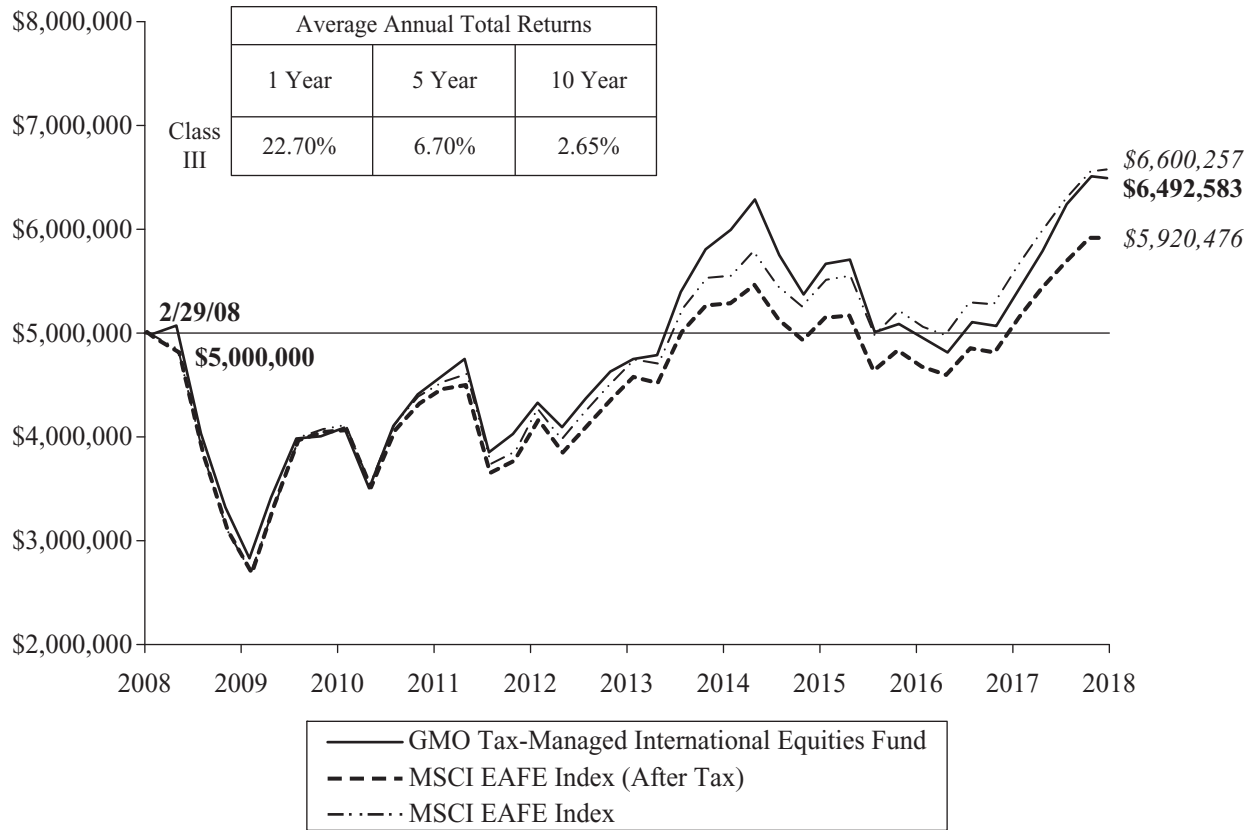
At a sector level, the Fund benefited from both strong stock selection and allocation. Top sector contributors included Industrials, Financials, Consumer Discretionary, and Materials. Materials added value from a mix of an overweight allocation and selection decisions, while value added in the other top performing sectors was primarily from stock selection. Only two sectors, Health Care and Telecommunications Services, detracted value over the period.

Top stock contributors included overweight positions in Deutsche Lufthansa (Germany Industrial), Fiat Chrysler Automobiles (Italy Consumer Discretionary), and Tokyo Electron (Japan Information Technology). Top stock detractors included overweight positions in GlaxoSmithKline (U.K. Health Care), Fujitsu Limited (Japan Information Technology), and WPP (U.K. Consumer Discretionary).

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**GMO Tax-Managed International Equities Fund**  
 (A Series of GMO Trust)

**Comparison of Change in Value of a \$5,000,000 Investment in  
 GMO Tax-Managed International Equities Fund Class III Shares, the MSCI EAFE Index (After Tax)  
 and the MSCI EAFE Index  
 As of February 28, 2018**



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 up to the most recent month-end, visit [www.gmo.com](http://www.gmo.com). Performance shown is net of all fees after reimbursement from GMO. Returns would have been lower had certain expenses not been reimbursed during the periods shown and do not include the effect of taxes on distributions and redemptions. The performance information shown above only includes purchase premiums and/or redemption fees in effect as of February 28, 2018. All information is unaudited.

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# GMO Tax-Managed International Equities Fund

(A Series of GMO Trust)

## Investment Concentration Summary

February 28, 2018 (Unaudited)

Asset Class Summary <sup>&amp;</sup>	% of Total Net Assets
Common Stocks	95.8%
Preferred Stocks	2.3
Mutual Funds	1.5
Short-Term Investments	0.1
Rights/Warrants	0.0 <sup>^</sup>
Futures Contracts	(0.1)
Other	0.4
	<b>100.0%</b>

Country Summary <sup>⊠</sup>	% of Investments
Japan	24.2%
United Kingdom	12.5
Germany	11.4
France	11.3
Other Emerging	5.1 <sup>†</sup>
Italy	5.0
Switzerland	4.4
Sweden	3.7
Hong Kong	3.6
Australia	3.4
China	2.9
United States	2.8
Other Developed	2.8 <sup>‡</sup>
Netherlands	2.0
Austria	1.8
South Korea	1.6
Norway	1.5
	<b>100.0%</b>

Industry Group Summary	% of Equity Investments <sup>#</sup>
Capital Goods	13.4%
Materials	11.8
Banks	11.1
Automobiles & Components	9.0
Insurance	6.4
Food, Beverage & Tobacco	6.0
Pharmaceuticals, Biotechnology & Life Sciences	5.6
Technology Hardware & Equipment	4.8
Energy	4.8
Semiconductors & Semiconductor Equipment	4.0
Consumer Durables & Apparel	3.9
Real Estate	3.4
Telecommunication Services	3.0
Transportation	2.5
Diversified Financials	2.3
Software & Services	2.0
Utilities	1.8
Retailing	1.3
Household & Personal Products	1.2
Consumer Services	0.8
Health Care Equipment & Services	0.3
Food & Staples Retailing	0.3
Commercial & Professional Services	0.3
Media	0.0 <sup>^</sup>
	<b>100.0%</b>

<sup>&</sup> In the table above, derivative financial instruments, if any, are based on market values or unrealized appreciation/depreciation, in the case of forward currency contracts, rather than notional amounts.

<sup>⊠</sup> The table above shows country exposure in the Fund. The table excludes short-term investments. The table excludes exposure through forward currency contracts and includes exposure through other derivative financial instruments, if any. The table takes into account the market value of securities and options and the notional amounts of swap contracts and other derivative financial instruments, if any.

<sup>†</sup> "Other Emerging" is comprised of emerging countries that each represent between (1.0)% and 1.0% of Investments.

<sup>‡</sup> "Other Developed" is comprised of developed countries that each represent between (1.0)% and 1.0% of Investments.

<sup>#</sup> Equity investments may consist of common stocks and other stock-related securities, such as preferred stocks, if any. This table excludes exposure to derivative contracts, short-term investments, mutual funds and investment funds, if any. For a summary of these exposures, if any, see the Schedule of Investments.

<sup>^</sup> Rounds to 0.0%.

# GMO Tax-Managed International Equities Fund

(A Series of GMO Trust)

## Schedule of Investments

(showing percentage of total net assets)

February 28, 2018

Shares	Description	Value (\$)	Shares	Description	Value (\$)
<b>COMMON STOCKS — 95.8%</b>			<b>China — continued</b>		
<b>Australia — 3.4%</b>			32,000	Beijing Capital International Airport Co Ltd – Class H	47,200
34,089	BlueScope Steel Ltd	424,289	88,000	China Communications Services Corp Ltd – Class H	52,022
18,509	Caltex Australia Ltd	501,727	37,000	China Evergrande Group *	108,067
1,735	CIMIC Group Ltd	62,582	7,000	China Lesso Group Holdings Ltd	4,590
14,312	Costa Group Holdings Ltd	80,463	2,000	China Mengniu Dairy Co Ltd	6,579
1,982	CSL Ltd	249,610	68,000	China National Building Material Co Ltd – Class H	66,715
24,947	CSR Ltd	99,260	12,000	China National Materials Co Ltd – Class H	9,966
12,973	Genworth Mortgage Insurance Australia Ltd	25,231	102,000	China Petroleum & Chemical Corp – Class H	80,954
353	LendLease Group	4,846	2,500	China Railway Construction Corp Ltd – Class H	2,675
157	Macquarie Group Ltd	12,509	44,000	China Resources Cement Holdings Ltd	33,697
12,713	Mineral Resources Ltd	185,264	31,000	China Shenhua Energy Co Ltd – Class H	87,739
22,167	OZ Minerals Ltd	164,014	4,000	China Southern Airlines Co Ltd – Class H	5,351
1,760	Primary Health Care Ltd	5,417	264,000	China Telecom Corp Ltd – Class H	115,108
2,729	Rio Tinto Ltd	169,192	300	China Yuchai International Ltd	6,723
59,754	South32 Ltd	150,887	7,000	Chongqing Rural Commercial Bank Co Ltd – Class H	5,637
3,682	Stockland (REIT)	11,509	20,000	Country Garden Holdings Co Ltd	35,520
228	Wesfarmers Ltd	7,292	70,000	Dongfeng Motor Group Co Ltd – Class H	87,967
14,702	WorleyParsons Ltd	172,678	51,000	Geely Automobile Holdings Ltd	163,637
	Total Australia	<u>2,326,770</u>	2,000	Guangdong Investment Ltd	3,049
<b>Austria — 1.8%</b>			21,600	Guangzhou R&F Properties Co Ltd – Class H	50,160
10,064	OMV AG	572,221	7,000	Haier Electronics Group Co Ltd *	23,845
6,409	Raiffeisen Bank International AG *	248,311	8,000	Haitian International Holdings Ltd	24,507
7,566	voestalpine AG	436,469	20,000	Harbin Electric Co Ltd – Class H	8,076
	Total Austria	<u>1,257,001</u>	39,000	Huabao International Holdings Ltd	29,241
<b>Belgium — 0.2%</b>			18,000	Jiangsu Expressway Co Ltd – Class H	27,875
2,430	Ageas	127,236	19,500	Kingboard Chemical Holdings Ltd	97,999
4,294	AGFA-Gevaert NV *	21,057	23,000	Kingboard Laminates Holdings Ltd	39,952
	Total Belgium	<u>148,293</u>	18,000	Lee & Man Paper Manufacturing Ltd	20,338
<b>Brazil — 0.4%</b>			6,000	Lonking Holdings Ltd	2,485
600	Banco do Brasil SA	7,724	10,000	Nine Dragons Paper Holdings Ltd	17,793
3,200	Centrais Eletricas Brasileiras SA *	24,412	13,000	People's Insurance Co Group of China Ltd (The) – Class H	6,960
2,000	Cia de Saneamento Basico do Estado de Sao Paulo	23,192	8,000	Shanghai Industrial Holdings Ltd	22,268
5,300	JBS SA	16,176	14,100	Shanghai Pharmaceuticals Holding Co Ltd – Class H	35,289
5,000	Kroton Educacional SA	23,869	16,000	Shenzhen Expressway Co Ltd – Class H	16,091
300	Tim Participacoes SA ADR	6,384	25,000	Shimao Property Holdings Ltd	61,607
10,182	Vale SA	141,273	14,000	Sino Biopharmaceutical Ltd	26,232
400	Via Varejo SA	3,374	23,000	Sinopec Engineering Group Co Ltd – Class H	22,289
	Total Brazil	<u>246,404</u>	5,500	Sinotruk Hong Kong Ltd	6,976
<b>China — 2.9%</b>			2,600	Tencent Holdings Ltd	142,242
8,000	Agile Group Holdings Ltd	13,643	34,000	TravelSky Technology Ltd – Class H	107,494
291,000	Agricultural Bank of China Ltd – Class H	159,890	31,000	Weichai Power Co Ltd – Class H	34,559
2,000	Anhui Conch Cement Co Ltd – Class H	10,626	18,000	Zhejiang Expressway Co Ltd – Class H	19,570
10,000	ANTA Sports Products Ltd	49,200		Total China	<u>2,021,233</u>
11,000	BAIC Motor Corp Ltd – Class H	13,839	<b>Colombia — 0.1%</b>		
13,000	Bank of China Ltd – Class H	6,991	2,700	Ecopetrol SA Sponsored ADR	<u>47,277</u>

See accompanying notes to the financial statements.

# GMO Tax-Managed International Equities Fund

(A Series of GMO Trust)

Schedule of Investments — (Continued)

(showing percentage of total net assets)

February 28, 2018

Shares	Description	Value (\$)	Shares	Description	Value (\$)
<b>Finland — 0.7%</b>			<b>Germany — continued</b>		
339	Amer Sports Oyj	10,222	1,772	Muenchener Rueckversicherungs-Gesellschaft AG in Muenchen (Registered)	396,237
12,784	UPM-Kymmene Oyj	437,389	5,166	RWE AG *	102,681
	Total Finland	447,611	494	Siltronic AG *	72,081
<b>France — 11.4%</b>			1,970	Uniper SE	59,823
25,703	Air France-KLM *	303,311	236	Volkswagen AG	46,881
81	Amundi SA	6,603	1,594	Wacker Neuson SE	56,753
1,011	Atos SE	132,996		Total Germany	7,040,457
26,212	AXA SA	820,935	<b>Greece — 0.0%</b>		
13,681	BNP Paribas SA	1,081,764	559	Mytilineos Holdings SA *	6,570
2,981	Bouygues SA	150,803	<b>Hong Kong — 3.7%</b>		
1,773	Christian Dior SE	658,525	84,000	BOC Hong Kong Holdings Ltd	422,141
1,591	Cie Generale des Etablissements Michelin	244,544	1,000	CLP Holdings Ltd	10,114
113	Cie Plastic Omnium SA	5,293	11,200	Dah Sing Banking Group Ltd	24,892
2,159	CNP Assurances	52,320	20,000	First Pacific Co Ltd	12,412
4,191	Credit Agricole SA	71,814	3,000	Hysan Development Co Ltd	17,338
2,933	Derichebourg SA	26,295	8,000	Kerry Properties Ltd	36,162
665	Jacquet Metal Service	24,074	62,000	Link (REIT)	527,061
1,162	L'Oreal SA	249,853	4,000	Minth Group Ltd	23,474
316	LVMH Moet Hennessy Louis Vuitton SE	94,515	677,000	WH Group Ltd	833,796
303	Nexity SA	18,926	46,000	Wharf Holdings Ltd (The)	170,904
16,301	Peugeot SA	367,814	43,000	Wharf Real Estate Investment Co Ltd *	292,311
4,517	Renault SA	489,958	22,000	Wheelock & Co Ltd	159,475
4,565	Sanofi	360,406		Total Hong Kong	2,530,080
703	Schneider Electric SE	60,928	<b>Hungary — 0.2%</b>		
59	SEB SA	12,036	2,708	MOL Hungarian Oil & Gas Plc	29,533
23,516	Societe Generale SA	1,336,170	900	OTP Bank Plc	40,098
17,400	STMicroelectronics NV – NY Shares	396,720	1,681	Richter Gedeon Nyrt	36,993
39,231	STMicroelectronics NV	892,203		Total Hungary	106,624
195	TOTAL SA	11,091	<b>India — 0.9%</b>		
	Total France	7,869,897	8,528	Bharat Electronics Ltd	20,073
<b>Germany — 10.2%</b>			589	Cadila Healthcare Ltd	3,634
6,577	Allianz SE (Registered)	1,527,779	7,227	HCL Technologies Ltd	104,235
6,439	Bayer AG (Registered)	751,406	335	Hero MotoCorp Ltd	18,380
7,630	Bayerische Motoren Werke AG	801,645	11,445	Hindalco Industries Ltd	42,533
119	bet-at-home.com AG	14,480	6,576	Hindustan Petroleum Corp Ltd	38,241
306	Covestro AG	34,520	2,593	Indiabulls Housing Finance Ltd	49,278
9,593	Daimler AG (Registered Shares)	819,114	1,512	Indian Oil Corp Ltd	8,727
34,987	Deutsche Lufthansa AG (Registered)	1,168,218	2,139	Karnataka Bank Ltd (The)	4,378
678	Deutsche Post AG (Registered)	30,931	537	Maruti Suzuki India Ltd	72,628
3,916	Duerr AG	478,951	293	Merck Ltd	7,005
806	Elmos Semiconductor AG	26,692	10,263	NMDC Ltd	20,199
134	Fielmann AG	11,042	18,387	Power Finance Corp Ltd	29,442
4,428	Freenet AG	153,020	2,833	PTC India Ltd	4,429
396	Grammer AG	24,750	1,398	Reliance Industries Ltd	20,285
864	Hannover Rueck SE	117,520	11,857	Rural Electrification Corp Ltd	26,079
32	Isra Vision AG	7,756			
4,973	Leoni AG	338,177			



# GMO Tax-Managed International Equities Fund

(A Series of GMO Trust)

Schedule of Investments — (Continued)

(showing percentage of total net assets)

February 28, 2018

Shares	Description	Value (\$)	Shares	Description	Value (\$)
<b>India — continued</b>			<b>Japan — continued</b>		
4,026	Syndicate Bank *	3,715	2,800	Hanwa Co Ltd	126,355
2,390	Tata Steel Ltd	24,519	31,700	Haseko Corp	464,292
1,296	UPL Ltd	14,394	145,000	Hitachi Ltd	1,096,505
9,740	Vedanta Ltd	48,703	100	House Foods Group Inc	3,347
4,331	Wipro Ltd	19,367	3,700	Idemitsu Kosan Co Ltd	140,513
700	Yes Bank Ltd	3,428	71,900	ITOCHU Corp	1,382,101
	Total India	583,672	1,400	Juki Corp	22,071
			7,120	K's Holdings Corp	197,925
<b>Ireland — 0.3%</b>			7,000	Kajima Corp	66,647
6,190	Smurfit Kappa Group Plc	215,372	1,400	Kamei Corp	20,934
			1,400	Kao Corp	102,193
<b>Israel — 0.0%</b>			25,700	KDDI Corp	631,122
200	SodaStream International Ltd *	16,184	100	Keyence Corp	60,560
			2,400	Kitz Corp	19,617
<b>Italy — 5.0%</b>			1,200	Konica Minolta Inc	11,020
72,814	A2A SPA	128,744	3,000	Kuraray Co Ltd	52,137
11,005	Arnoldo Mondadori Editore SPA *	25,636	1,100	Leopalace21 Corp	8,664
638	Danieli & C Officine Meccaniche SPA – RSP	12,559	400	Lion Corp	7,477
688	Datalogic SPA	25,682	800	Mandom Corp	28,110
596	EL.En. SPA	18,708	65,600	Marubeni Corp	499,824
134,294	Enel SPA	779,545	6,300	Medipal Holdings Corp	128,142
556	Eni SPA	9,232	125,300	Mitsubishi Chemical Holdings Corp	1,264,137
9,637	EXOR NV	699,297	16,600	Mitsubishi Corp	465,052
433	Ferrari NV	53,658	26,500	Mitsubishi Electric Corp	446,989
54,400	Fiat Chrysler Automobiles NV	1,152,736	6,700	Mitsubishi Gas Chemical Co Inc	165,712
13,208	Fiat Chrysler Automobiles NV *	278,795	100	Mitsubishi Tanabe Pharma Corp	2,130
14,508	Fincantieri SPA *	23,035	3,000	Mitsui Chemicals Inc	91,033
591	Prima Industrie SPA	24,877	1,900	Mitsui Mining & Smelting Co Ltd	94,488
14,860	Societa Cattolica di Assicurazioni SC	176,799	800	Modec Inc	19,970
16,800	Telecom Italia SPA-RSP	12,794	4,000	Nachi-Fujikoshi Corp	24,885
3,937	Unipol Gruppo SPA	19,579	1,300	Nagase & Co Ltd	22,459
1,828	Vittoria Assicurazioni SPA	29,073	6,600	NET One Systems Co Ltd	101,437
	Total Italy	3,470,749	1,700	Nexon Co Ltd *	61,255
			2,000	Nichias Corp	26,556
<b>Japan — 24.4%</b>			300	Nippon Chemi-Con Corp	8,039
600	Acom Co Ltd *	2,703	21,100	Nippon Telegraph & Telephone Corp	980,023
900	Arakawa Chemical Industries Ltd	17,023	1,200	Nisshin Oillio Group Ltd (The)	32,627
5,900	Asahi Group Holdings Ltd	301,698	800	NSK Ltd	11,868
35,400	Asahi Kasei Corp	453,651	700	NTT DOCOMO Inc	17,908
23,700	Brother Industries Ltd	589,405	500	Omron Corp	29,426
7,900	Canon Inc	301,060	400	Pola Orbis Holdings Inc	16,770
2,500	CKD Corp	62,550	13,000	Prima Meat Packers Ltd	78,125
200	Dai-ichi Seiko Co Ltd	5,406	4,100	Recruit Holdings Co Ltd	99,148
2,700	Daito Trust Construction Co Ltd	447,147	1,400	Rohm Co Ltd	147,047
7,500	Daiwa House Industry Co Ltd	277,862	1,300	Rohto Pharmaceutical Co Ltd	35,988
200	DIC Corp	7,135	3,300	Sekisui Chemical Co Ltd	61,827
100	Disco Corp	23,308	100	Shimamura Co Ltd	11,890
400	Fancl Corp	14,354	6,400	Showa Denko KK	312,312
90,000	Fujitsu Ltd	537,084	127,500	Sojitz Corp	416,051
200	Furukawa Electric Co Ltd	10,898	100	ST Corp	2,181

See accompanying notes to the financial statements.

# GMO Tax-Managed International Equities Fund

(A Series of GMO Trust)

Schedule of Investments — (Continued)

(showing percentage of total net assets)

February 28, 2018

Shares	Description	Value (\$)	Shares	Description	Value (\$)
<b>Japan — continued</b>			<b>Poland — continued</b>		
101,000	Sumitomo Chemical Co Ltd	622,733	689	PGE Polska Grupa Energetyczna SA *	2,034
21,200	Sumitomo Corp	371,889	82	Polski Koncern Naftowy ORLEN SA	2,293
220	Suzuken Co Ltd	8,957	13,569	Polskie Gornictwo Naftowe i Gazownictwo SA	23,910
3,800	Suzuki Motor Corp	216,774		Total Poland	35,338
1,000	T-Gaia Corp	28,692			
600	Takeda Pharmaceutical Co Ltd	34,020		<b>Portugal — 0.0%</b>	
100	TDK Corp	9,049	19,283	Sonae SGPS SA	28,209
100	Token Corp	11,253			
3,800	Tokyo Electron Ltd	742,530		<b>Russia — 0.1%</b>	
38,200	Tosoh Corp	789,705	72,000	Inter RAO UES PJSC	4,715
15,400	Toyota Tsusho Corp	570,188	79	LUKOIL PJSC Sponsored ADR	5,235
10,660	USS Co Ltd	218,803	341,000	RusHydro PJSC	4,725
	Total Japan	16,792,766	2,219	Sberbank of Russia Sponsored ADR	44,935
			55	Tatneft PJSC Sponsored ADR	3,441
				Total Russia	63,051
	<b>Malta — 0.0%</b>				
1,718,063	BGP Holdings Plc (a)	—		<b>Singapore — 0.9%</b>	
			19,400	DBS Group Holdings Ltd	416,921
	<b>Mexico — 0.3%</b>		1,100	Singapore Exchange Ltd	6,233
17,400	America Movil SAB de CV – Class L	15,996	920	United Overseas Bank Ltd	19,271
7,200	Arca Continental SAB de CV	50,028	6,200	Venture Corp Ltd	127,833
330	Gruma SAB de CV – Class B	3,820	37,400	Yanlord Land Group Ltd	46,544
300	Grupo Aeroportuario del Pacifico SAB de CV – Class B	2,897		Total Singapore	616,802
1,260	Grupo Aeroportuario del Sureste SAB de CV – Class B	22,323			
6,300	OHL Mexico SAB de CV	11,189		<b>South Africa — 1.0%</b>	
38,100	Wal-Mart de Mexico SAB de CV	89,173	169	Astral Foods Ltd	4,064
	Total Mexico	195,426	1,818	AVI Ltd	18,674
			5,141	Barclays Africa Group Ltd	85,530
	<b>Netherlands — 2.1%</b>		4,867	Barloworld Ltd	72,763
58,673	ING Groep NV	1,029,593	3,080	Bidvest Group Ltd (The)	58,325
7,296	Unilever NV CVA	381,844	2,157	Blue Label Telecoms Ltd	2,388
	Total Netherlands	1,411,437	2,367	Clicks Group Ltd	33,699
			1,413	Imperial Holdings Ltd	29,609
	<b>New Zealand — 0.1%</b>		437	Kumba Iron Ore Ltd	12,849
1,750	Fletcher Building Ltd	8,207	2,292	Liberty Holdings Ltd	26,082
23,158	Spark New Zealand Ltd	55,952	6,093	MMI Holdings Ltd	11,160
	Total New Zealand	64,159	2,419	Mondi Ltd	62,989
			2,079	Nedbank Group Ltd	50,443
	<b>Norway — 1.5%</b>		742	Rand Merchant Investment Holdings Ltd	2,806
14,802	DNB ASA	290,346	2,621	Raubex Group Ltd	5,029
458	Norsk Hydro ASA	3,077	619	RMB Holdings Ltd	4,543
2,652	SpareBank 1 SR Bank ASA	31,102	2,088	Sibanye Gold Ltd	1,974
18,824	Statoil ASA	428,463	9,791	Standard Bank Group Ltd	179,551
706	Storebrand ASA	6,141		Total South Africa	662,478
18,960	Subsea 7 SA	281,543			
	Total Norway	1,040,672		<b>South Korea — 1.2%</b>	
			41	Coway Co Ltd	3,263
	<b>Poland — 0.1%</b>		341	DB Insurance Co Ltd	21,795
234	KGHM Polska Miedz SA	7,101	81	DongKook Pharmaceutical Co Ltd	5,035



# GMO Tax-Managed International Equities Fund

(A Series of GMO Trust)

Schedule of Investments — (Continued)

(showing percentage of total net assets)

February 28, 2018

Shares	Description	Value (\$)	Shares	Description	Value (\$)
<b>Thailand — continued</b>			<b>United Kingdom — continued</b>		
7,400	PTT Pcl (Foreign Registered)	132,749	5,055	William Hill Plc	22,731
2,400	PTT Pcl NVDR	43,054		Total United Kingdom	8,666,855
6,600	Supalai Pcl NVDR	4,838			
9,200	Thai Airways International Pcl NVDR *	4,415		TOTAL COMMON STOCKS	
30,700	Thai Beverage Pcl	19,329		(COST \$42,363,146)	65,876,619
	Total Thailand	280,100			
<b>Turkey — 0.4%</b>			<b>PREFERRED STOCKS (c) — 2.3%</b>		
28,711	Eregli Demir ve Celik Fabrikalari TAS	85,397	<b>Brazil — 0.7%</b>		
19,508	KOC Holding AS	92,230	13,758	Banco Bradesco SA	164,279
11,208	Turkiye Garanti Bankasi AS	34,437	7,900	Bradespar SA	83,139
24,480	Turkiye Is Bankasi – Class C	48,581	500	Braskem SA – Class A	7,151
22,954	Turkiye Sise ve Cam Fabrikalari AS	28,711	7,600	Centrais Eletricas Brasileiras SA – Class B	65,305
	Total Turkey	289,356	2,700	Cia Energetica de Sao Paulo – Class B	12,640
			27,422	Itausa – Investimentos Itau SA	110,806
<b>United Kingdom — 12.6%</b>				Total Brazil	443,320
48,702	3i Group Plc	626,455	<b>Germany — 1.2%</b>		
11,408	AstraZeneca Plc	746,679	1,142	Bayerische Motoren Werke AG	103,124
1,587	Barratt Developments Plc	11,729	112	Draegerwerk AG & Co KGaA	11,457
592	Bellway Plc	25,235	88	Henkel AG & Co KGaA	11,675
5,923	Berkeley Group Holdings Plc (The)	313,456	3,627	Porsche Automobil Holding SE	302,127
9,420	BHP Billiton Plc	191,235	2,144	Volkswagen AG	417,090
17,944	British American Tobacco Plc	1,059,099		Total Germany	845,473
6,072	Bunzl Plc	162,972	<b>South Korea — 0.4%</b>		
7,727	Coca-Cola HBC AG *	252,612	97	Hyundai Motor Co	8,013
2,445	CYBG Plc CDI	10,071	371	Hyundai Motor Co 2nd Preference	33,294
13,484	Diageo Plc	457,519	142	LG Electronics Inc	5,394
200	Diageo Plc Sponsored ADR	27,128	121	Samsung Electronics Co Ltd	222,276
10,536	Electrocomponents Plc	90,923		Total South Korea	268,977
1,262	Fenner Plc	8,238	TOTAL PREFERRED STOCKS		
38,474	Ferrexpo Plc	164,440		(COST \$860,820)	1,557,770
1,120	Galliford Try Plc	14,073	<b>RIGHTS/WARRANTS — 0.0%</b>		
58,472	GlaxoSmithKline Plc	1,048,621	<b>Brazil — 0.0%</b>		
600	GlaxoSmithKline Plc Sponsored ADR	21,786	823	Itausa – Investimentos Itau SA, Expires 03/29/18* (d)	1,369
3,589	Halfords Group Plc	17,501	<b>Thailand — 0.0%</b>		
113,965	HSBC Holdings Plc	1,120,763	1,650	Supalai Pcl, Expires 10/19/18 *	1,010
24,791	Inchcape Plc	230,942		TOTAL RIGHTS/WARRANTS	
15,692	Man Group Plc	36,873		(COST \$0)	2,379
1,218	Morgan Sindall Group Plc	20,752			
499	Next Plc	33,278			
1,800	Nomad Foods Ltd *	29,502			
19,760	Persimmon Plc	706,391			
4,385	Plus500 Ltd	71,636			
834	QinetiQ Group Plc	2,345			
3,687	Rio Tinto Plc	197,641			
14,218	Royal Dutch Shell Plc A Shares (London)	449,020			
7,290	RPS Group Plc	22,756			
15,925	Spirent Communications Plc	22,739			
116,717	Thomas Cook Group Plc	196,312			
11,989	TUI AG	253,402			

**GMO Tax-Managed International Equities Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments — (Continued)**  
**(showing percentage of total net assets)**  
**February 28, 2018**

Shares	Description	Value (\$)
	<b>MUTUAL FUNDS — 1.5%</b>	
	<b>United States — 1.5%</b>	
	<b>Affiliated Issuers — 1.5%</b>	
42,724	GMO U.S. Treasury Fund	<u>1,066,810</u>
	TOTAL MUTUAL FUNDS (COST \$1,067,237)	<u>1,066,810</u>
	<b>SHORT-TERM INVESTMENTS — 0.1%</b>	
	<b>Money Market Funds — 0.1%</b>	
83,395	State Street Institutional Treasury Money Market Fund-Premier Class, 1.33% <sup>(e)</sup>	<u>83,395</u>
	TOTAL SHORT-TERM INVESTMENTS (COST \$83,395)	<u>83,395</u>
	<b>TOTAL INVESTMENTS — 99.7%</b> (Cost \$44,374,598)	<b>68,586,973</b>
	Other Assets and Liabilities (net) — 0.3%	<u>194,759</u>
	<b>TOTAL NET ASSETS — 100.0%</b>	<b><u>\$68,781,732</u></b>

A summary of outstanding financial instruments at February 28, 2018 is as follows:

**Futures Contracts**

Number of Contracts +	Type	Expiration Date	Notional Amount	Value/Net Unrealized Appreciation (Depreciation)
8	Mini MSCI EAFE	March 2018	\$814,600	\$(44,217)
1	Mini MSCI Emerging Markets	March 2018	<u>59,150</u>	<u>(2,532)</u>
			<u>\$873,750</u>	<u>\$(46,749)</u>

+ Buys - Fund is long the futures contract.  
Sales - Fund is short the futures contract.

As of February 28, 2018, for the above contracts and/or agreements, the Fund had sufficient cash and/or securities to cover commitments or collateral requirements, if any, of the relevant broker or exchange.

**Notes to Schedule of Investments:**

- \* Non-income producing security.
- (a) Investment valued at fair value using methods determined in good faith by the Trustees of GMO Trust or persons acting at their direction pursuant to procedures approved by the Trustees. Investment valued using significant unobservable inputs (Note 2).
- (b) Security valued at the local price and adjusted by applying a premium or discount since holding exceeds foreign ownership limits.
- (c) Preferred dividend rates are disclosed to the extent that a stated rate exists.
- (d) Investment valued using significant unobservable inputs (Note 2).
- (e) The rate disclosed is the 7 day net yield as of February 28, 2018.

For a listing of definitions of acronyms, counterparty abbreviations and currency abbreviations used throughout the Schedule of Investments as well as the derivative tables, if any, please refer to page 83.

## **GMO U.S. Equity Allocation Fund** (A Series of GMO Trust)

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### **Portfolio Management**

Day-to-day management of the Fund's portfolio is the responsibility of the Global Equity team at Grantham, Mayo, Van Otterloo & Co. LLC.

### **Management Discussion and Analysis of Fund Performance**

Although the Fund is not managed relative to any securities market index or benchmark, a discussion of the Fund's performance relative to the S&P 500 Index is included for comparative purposes.

Class III shares of GMO U.S. Equity Allocation Fund returned +13.76% (net) for the fiscal year ended February 28, 2018, as compared with +17.10% for the S&P 500 Index. As of March 31, 2018, the Fund's benchmark will be changing to the Russell 3000 index, which GMO believes to be a better representation of the Fund's strategy.

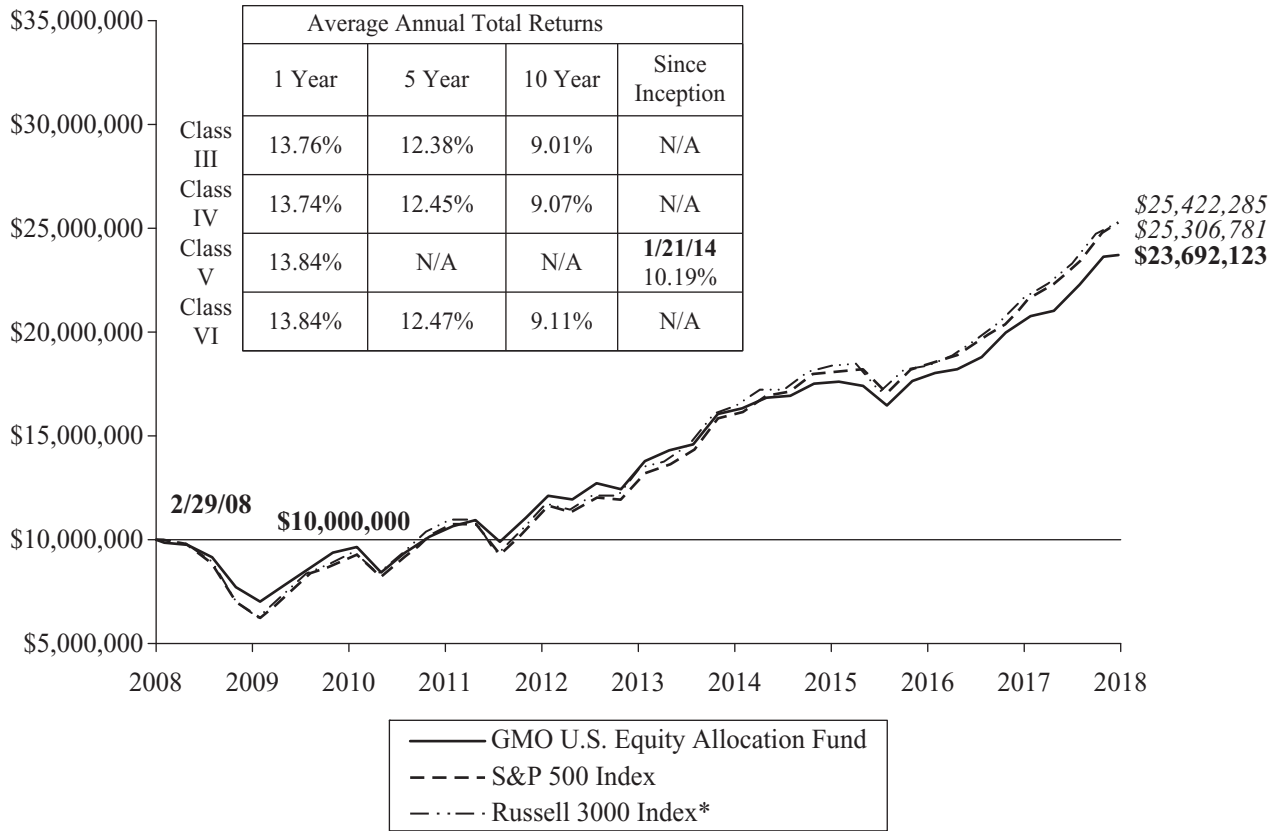
Stock selection detracted from relative performance, while sector allocation was incrementally positive over the period. Stock selection was most challenging in the Information Technology and Consumer Discretionary sectors. Top detractors included having no exposure, or underweight positioning, to the strongly performing Amazon.Com, Microsoft, Apple, and Boeing. Within Information Technology, holding International Business Machines also detracted from performance.

Areas of positive performance included Consumer Staples and Energy, from a mix of stock selection and allocation. Top stock contributors included overweight positions in Micron Technology, Anthem, and Applied Materials. The portfolio also benefited from not holding General Electric and Exxon Mobil, which lost value over the period.

*The views expressed herein are exclusively those of Grantham, Mayo, Van Otterloo & Co. LLC as of the date of this report and are subject to change. GMO disclaims any responsibility to update such views. They are not meant as investment advice. References to specific securities are not recommendations of such securities and may not be representative of any GMO portfolio's current or future investments.*

**GMO U.S. Equity Allocation Fund**  
(A Series of GMO Trust)

**Comparison of Change in Value of a \$10,000,000 Investment in  
GMO U.S. Equity Allocation Fund Class III Shares, the S&P 500 Index and the Russell 3000 Index  
As of February 28, 2018**



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 up to the most recent month-end, visit [www.gmo.com](http://www.gmo.com). Performance shown is net of all fees after reimbursement from GMO. Returns would have been lower had certain expenses not been reimbursed during the periods shown and do not include the effect of taxes on distributions and redemptions. The performance information shown above only includes purchase premiums and/or redemption fees in effect as of February 28, 2018. All information is unaudited. Performance for classes may vary due to different fees.

\* Effective March 31, 2018, the Fund changed its benchmark to the Russell 3000 Index because GMO believes the Russell 3000 Index is more representative of the Fund's investment strategy. For S&P disclaimers please visit [http://www.gmo.com/America/\\_Disclaimers/\\_BenchmarkDisclaimers.htm](http://www.gmo.com/America/_Disclaimers/_BenchmarkDisclaimers.htm).

## GMO U.S. Equity Allocation Fund

(A Series of GMO Trust)

### Investment Concentration Summary

February 28, 2018 (Unaudited)

<u>Asset Class Summary</u> <sup>&amp;</sup>	<u>% of Total Net Assets</u>
Common Stocks	99.1%
Mutual Funds	0.5
Short-Term Investments	0.1
Futures Contracts	0.0 <sup>^</sup>
Other	0.3
	<u><u>100.0%</u></u>

<u>Industry Group Summary</u>	<u>% of Equity Investments</u> <sup>#</sup>
Capital Goods	11.0%
Software & Services	10.3
Pharmaceuticals, Biotechnology & Life Sciences	8.3
Semiconductors & Semiconductor Equipment	7.6
Technology Hardware & Equipment	7.4
Diversified Financials	6.6
Insurance	6.4
Automobiles & Components	4.6
Health Care Equipment & Services	4.3
Banks	3.7
Real Estate	3.6
Consumer Durables & Apparel	3.6
Consumer Services	3.4
Materials	3.4
Energy	3.0
Food, Beverage & Tobacco	2.5
Household & Personal Products	2.3
Utilities	2.1
Retailing	2.1
Media	1.3
Commercial & Professional Services	1.1
Food & Staples Retailing	1.1
Telecommunication Services	0.3
	<u><u>100.0%</u></u>

& In the table above, derivative financial instruments, if any, are based on market values or unrealized appreciation/depreciation, in the case of forward currency contracts, rather than notional amounts.

# Equity investments may consist of common stocks and other stock-related securities, such as preferred stocks, if any. This table excludes exposure to derivative contracts, short-term investments, mutual funds and investment funds, if any. For a summary of these exposures, if any, see the Schedule of Investments.

<sup>^</sup> Rounds to 0.0%.



**GMO U.S. Equity Allocation Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments**  
**(showing percentage of total net assets)**  
**February 28, 2018**

Shares	Description	Value (\$)
<b>COMMON STOCKS — 99.1%</b>		
<b>Automobiles &amp; Components — 4.5%</b>		
139,200	Aptiv Plc	12,713,136
131,300	BorgWarner, Inc.	6,444,204
24,500	Cooper-Standard Holding, Inc. *	2,985,080
175,000	Dana, Inc.	4,649,750
178,400	Ford Motor Co.	1,892,824
500,700	General Motors Co.	19,702,545
42,080	Lear Corp.	7,850,866
43,200	Tenneco, Inc.	2,270,160
32,265	Tower International, Inc.	842,116
24,100	Visteon Corp. *	2,984,544
	Total Automobiles & Components	<u>62,335,225</u>
<b>Banks — 3.6%</b>		
4,236	American National Bankshares, Inc.	152,920
4,500	CNB Financial Corp.	120,960
11,400	Federal Agricultural Mortgage Corp. – Class C	867,084
121,100	Fifth Third Bancorp	4,002,355
3,200	First Bancorp, Inc.	86,272
5,550	German American Bancorp, Inc.	183,871
279,163	JPMorgan Chase & Co.	32,243,326
91,800	Popular, Inc.	3,856,518
385,100	Regions Financial Corp.	7,474,791
4,900	Territorial Bancorp, Inc.	146,363
13,341	Walker & Dunlop, Inc.	644,771
	Total Banks	<u>49,779,231</u>
<b>Capital Goods — 10.9%</b>		
46,644	AGCO Corp.	3,106,491
28,800	Applied Industrial Technologies, Inc.	2,027,520
51,100	Briggs & Stratton Corp.	1,148,728
73,700	Cummins, Inc.	12,394,129
41,600	Deere & Co.	6,692,192
80,300	Dover Corp.	8,038,030
36,400	EMCOR Group, Inc.	2,777,684
171,371	Emerson Electric Co.	12,177,623
220,100	Honeywell International, Inc.	33,259,311
79,900	Illinois Tool Works, Inc.	12,899,056
57,500	Ingersoll-Rand Plc	5,106,000
56,900	ITT, Inc.	2,855,242
37,900	Manitowoc Co., Inc. (The) *	1,126,388
100,900	Meritor, Inc. *	2,472,050
48,500	Moog, Inc. – Class A *	4,065,755
52,300	Oshkosh Corp.	4,128,039
78,000	Owens Corning	6,341,400
73,500	Parker-Hannifin Corp.	13,117,545
39,156	SPX Corp. *	1,222,842
41,400	Stanley Black & Decker, Inc.	6,590,466
13,900	Teledyne Technologies, Inc. *	2,584,705

Shares	Description	Value (\$)
<b>Capital Goods — continued</b>		
94,500	Textron, Inc.	5,655,825
9,500	Vectrus, Inc. *	259,255
	Total Capital Goods	<u>150,046,276</u>
<b>Commercial &amp; Professional Services — 1.1%</b>		
212,829	ACCO Brands Corp.	2,692,287
42,000	Brady Corp. – Class A	1,570,800
31,242	Deluxe Corp.	2,218,182
6,700	Heidrick & Struggles International, Inc.	176,880
51,800	Herman Miller, Inc.	1,859,620
21,200	ICF International, Inc. *	1,208,400
43,500	ManpowerGroup, Inc.	5,153,010
	Total Commercial & Professional Services	<u>14,879,179</u>
<b>Consumer Durables &amp; Apparel — 3.6%</b>		
6,400	Bassett Furniture Industries, Inc.	206,080
50,500	Brunswick Corp.	2,888,600
4,100	CSS Industries, Inc.	75,481
6,700	Culp, Inc.	186,260
117,900	DR Horton, Inc.	4,940,010
4,295	Flexsteel Industries, Inc.	166,904
67,500	Hasbro, Inc.	6,450,975
9,900	Johnson Outdoors, Inc. – Class A	610,236
64,100	KB Home	1,778,775
28,000	La-Z-Boy, Inc.	859,600
30,900	MDC Holdings, Inc.	855,312
12,400	Movado Group, Inc.	384,400
1,040	NVR, Inc. *	2,956,897
9,300	Oxford Industries, Inc.	743,256
124,200	PulteGroup, Inc.	3,486,294
90,300	PVH Corp.	13,028,484
126,800	VF Corp.	9,455,476
	Total Consumer Durables & Apparel	<u>49,073,040</u>
<b>Consumer Services — 3.4%</b>		
64,400	Adtalem Global Education, Inc. *	2,965,620
12,300	Bridgepoint Education, Inc. *	82,041
18,480	Drive Shack, Inc. *	93,324
3,800	Graham Holdings Co. – Class B	2,204,380
33,200	Grand Canyon Education, Inc. *	3,258,580
202,900	McDonald's Corp.	32,005,446
60,200	Penn National Gaming, Inc. *	1,601,922
102,700	Service Corp. International	3,844,061
	Total Consumer Services	<u>46,055,374</u>
<b>Diversified Financials — 6.6%</b>		
127,100	Ameriprise Financial, Inc.	19,883,524
5,221	Ares Commercial Real Estate Corp. (REIT)	64,323
31,800	Artisan Partners Asset Management, Inc. – Class A	1,073,250

**GMO U.S. Equity Allocation Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments — (Continued)**  
**(showing percentage of total net assets)**  
**February 28, 2018**

Shares	Description	Value (\$)
<b>Diversified Financials — continued</b>		
222,300	BGC Partners, Inc. – Class A	2,938,806
4,888	BlackRock Capital Investment Corp.	26,933
63,400	E*TRADE Financial Corp. *	3,311,382
4,104	Encore Capital Group, Inc. *	175,651
43,300	Enova International, Inc. *	952,600
87,900	Federated Investors, Inc. – Class B	2,863,782
169,100	Franklin Resources, Inc.	6,539,097
141,500	Invesco Ltd.	4,604,410
57,500	Invesco Mortgage Capital, Inc. (REIT)	883,775
17,900	Investment Technology Group, Inc.	354,778
62,300	Lazard Ltd.– Class A	3,362,331
32,600	MSCI, Inc.	4,613,552
6,573	OneMain Holdings, Inc. *	201,528
90,700	Raymond James Financial, Inc.	8,408,797
26,212	Regional Management Corp. *	784,263
74,900	SEI Investments Co.	5,454,967
143,100	State Street Corp.	15,190,065
75,705	T. Rowe Price Group, Inc.	8,471,390
	Total Diversified Financials	<u>90,159,204</u>
<b>Energy — 3.0%</b>		
57,205	Andeavor	5,126,712
4,652	Dorian LPG Ltd. *	34,053
35,178	Exterran Corp. *	910,055
199,100	Marathon Petroleum Corp.	12,754,346
421,924	Marathon Oil Corp.	6,126,336
215,750	McDermott International, Inc. *	1,574,975
74,300	Newpark Resources, Inc. *	612,975
62,700	Phillips 66	5,666,199
21,000	SEACOR Holdings, Inc. *	871,710
76,086	Valero Energy Corp.	6,879,696
	Total Energy	<u>40,557,057</u>
<b>Food &amp; Staples Retailing — 1.1%</b>		
74,800	US Foods Holding Corp. *	2,497,572
136,100	Wal-Mart Stores, Inc.	12,250,361
	Total Food & Staples Retailing	<u>14,747,933</u>
<b>Food, Beverage &amp; Tobacco — 2.4%</b>		
231,300	PepsiCo, Inc.	25,380,549
55,300	Pilgrim's Pride Corp. *	1,393,560
73,800	Tyson Foods, Inc.– Class A	5,489,244
27,600	Universal Corp.	1,356,540
	Total Food, Beverage & Tobacco	<u>33,619,893</u>
<b>Health Care Equipment &amp; Services — 4.3%</b>		
108,169	Anthem, Inc.	25,460,819
282,700	Baxter International, Inc.	19,164,233
139,400	Danaher Corp.	13,630,532

Shares	Description	Value (\$)
<b>Health Care Equipment &amp; Services — continued</b>		
21,400	Triple-S Management Corp. – Class B *	520,020
	Total Health Care Equipment & Services	<u>58,775,604</u>
<b>Household &amp; Personal Products — 2.3%</b>		
12,890	Central Garden & Pet Co. *	497,941
34,100	Central Garden & Pet Co. – Class A *	1,235,784
87,300	Church & Dwight Co., Inc.	4,294,287
32,100	Clorox Co. (The)	4,143,468
147,500	Estee Lauder Cos, Inc. (The) – Class A	20,419,900
19,500	Inter Parfums, Inc.	826,800
	Total Household & Personal Products	<u>31,418,180</u>
<b>Insurance — 6.3%</b>		
129,899	Aflac, Inc.	11,545,423
9,100	American National Insurance Co.	1,063,790
153,200	CNO Financial Group, Inc.	3,453,128
57,776	First American Financial Corp.	3,352,741
160,200	Hartford Financial Services Group, Inc. (The)	8,466,570
129,128	Lincoln National Corp.	9,835,680
189,800	Principal Financial Group, Inc.	11,830,234
400,300	Progressive Corp. (The)	23,049,274
86,500	Prudential Financial, Inc.	9,196,680
4,412	Selective Insurance Group, Inc.	250,822
89,298	Unum Group	4,550,626
2,372	W.R. Berkley Corp.	162,198
	Total Insurance	<u>86,757,166</u>
<b>Materials — 3.3%</b>		
92,547	Avery Dennison Corp.	10,934,428
60,400	Chemours Co. (The)	2,869,604
58,300	Crown Holdings, Inc. *	2,905,672
62,300	Eastman Chemical Co.	6,297,284
265,200	Huntsman Corp.	8,558,004
23,600	Koppers Holdings, Inc. *	953,440
44,400	Louisiana-Pacific Corp.	1,265,400
185,900	Owens-Illinois, Inc. *	4,008,004
37,800	Reliance Steel & Aluminum Co.	3,408,426
55,600	Trinseo SA	4,425,760
	Total Materials	<u>45,626,022</u>
<b>Media — 1.3%</b>		
113,100	CBS Corp. – Class B NVDR	5,990,907
83,800	Gannett Co., Inc.	841,352
42,000	Live Nation Entertainment, Inc. *	1,881,600
59,300	New York Times Co. (The) – Class A	1,429,130
269,916	News Corp. – Class A	4,353,745
139,206	News Corp. – Class B	2,282,978
30,900	Scholastic Corp.	1,125,069
	Total Media	<u>17,904,781</u>

**GMO U.S. Equity Allocation Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments — (Continued)**  
**(showing percentage of total net assets)**  
**February 28, 2018**

Shares	Description	Value (\$)	Shares	Description	Value (\$)
<b>Pharmaceuticals, Biotechnology &amp; Life Sciences — 8.2%</b>			<b>Software &amp; Services — 10.2%</b>		
93,600	Agilent Technologies, Inc.	6,420,024	39,800	Adobe Systems, Inc. *	8,323,374
42,900	Catalent, Inc. *	1,791,075	74,555	Amdocs Ltd.	4,904,974
377,700	Eli Lilly & Co.	29,090,454	111,180	CA, Inc.	3,902,418
88,247	Johnson & Johnson	11,461,520	273,200	Cadence Design Systems, Inc. *	10,591,964
375,300	Merck & Co., Inc.	20,348,766	24,800	CSG Systems International, Inc.	1,157,664
8,600	Mettler-Toledo International, Inc. *	5,299,492	172,700	DXC Technology Co.	17,708,658
1,059,838	Pfizer, Inc.	38,482,718	382,300	eBay, Inc. *	16,385,378
	Total Pharmaceuticals, Biotechnology & Life Sciences	112,894,049	64,600	Intuit, Inc.	10,779,156
			48,600	Leidos Holdings, Inc.	3,076,866
<b>Real Estate — 3.6%</b>			103,700	Mastercard, Inc. – Class A	18,226,312
164,300	Apple Hospitality REIT, Inc.	2,791,457	41,441	Net 1 UEPS Technologies, Inc. *	424,770
243,300	CBRE Group, Inc. – Class A *	11,374,275	525,900	Oracle Corp.	26,647,353
43,100	Chatham Lodging Trust (REIT)	783,989	28,700	Progress Software Corp.	1,345,169
114,900	CoreCivic, Inc. (REIT)	2,388,771	24,400	Red Hat, Inc. *	3,596,560
105,000	GEO Group, Inc. (The) (REIT)	2,236,500	32,180	Sykes Enterprises, Inc. *	935,151
91,800	Hospitality Properties Trust (REIT)	2,335,392	148,700	Synopsys, Inc.*	12,590,429
411,000	Host Hotels & Resorts, Inc. (REIT)	7,628,160		Total Software & Services	140,596,196
37,643	Jones Lang LaSalle, Inc.	6,045,842	<b>Technology Hardware &amp; Equipment — 7.4%</b>		
33,200	Potlatch Corp. (REIT)	1,698,180	73,500	Apple, Inc.	13,091,820
52,400	Preferred Apartment Communities, Inc. (REIT) – Class A	729,932	47,200	Arrow Electronics, Inc. *	3,850,576
53,500	Prologis, Inc. (REIT)	3,246,380	12,282	ePlus, Inc. *	940,187
66,100	Realogy Holdings Corp.	1,688,855	1,378,500	HP, Inc.	32,243,115
35,200	Ryman Hospitality Properties, Inc. (REIT)	2,427,392	33,702	Insight Enterprises, Inc. *	1,177,211
19,800	Tier REIT, Inc.	367,884	255,700	Juniper Networks, Inc.	6,561,262
188,800	Xenia Hotels & Resorts, Inc. (REIT)	3,713,696	34,400	Motorola Solutions, Inc.	3,651,560
	Total Real Estate	49,456,705	100,500	NetApp, Inc.	6,085,275
<b>Retailing — 2.1%</b>			158,600	TE Connectivity Ltd.	16,350,074
35,300	Big Lots, Inc.	1,983,860	30,238	Tech Data Corp. *	3,124,795
9,400	Children’s Place, Inc. (The)	1,337,620	80,500	Vishay Intertechnology, Inc.	1,481,200
172,500	Gap Inc. (The)	5,447,550	107,700	Western Digital Corp.	9,374,208
38,400	Guess?, Inc.	606,336	109,000	Xerox Corp.	3,304,880
62,600	Kohl’s Corp.	4,137,234		Total Technology Hardware & Equipment	101,236,163
298,500	Liberty Interactive Corp. QVC Group – Class A *	8,617,695	<b>Telecommunication Services — 0.3%</b>		
160,500	LKQ Corp. *	6,336,540	125,900	Telephone & Data Systems, Inc.	3,530,236
	Total Retailing	28,466,835	23,100	United States Cellular Corp. *	891,429
<b>Semiconductors &amp; Semiconductor Equipment — 7.5%</b>				Total Telecommunication Services	4,421,665
442,100	Applied Materials, Inc.	25,460,539	<b>Utilities — 2.1%</b>		
55,700	KLA-Tencor Corp.	6,311,367	80,300	Ameren Corp.	4,360,290
52,300	Lam Research Corp.	10,034,278	100,000	American Electric Power Co., Inc.	6,558,000
34,000	Microchip Technology, Inc.	3,023,620	63,589	DTE Energy Co.	6,408,499
586,400	Micron Technology, Inc. *	28,622,184	157,600	Exelon Corp.	5,837,504
159,000	ON Semiconductor Corp. *	3,803,280	169,700	NiSource, Inc.	3,925,161
242,000	Texas Instruments, Inc.	26,220,700	41,300	UGI Corp.	1,779,617
	Total Semiconductors & Semiconductor Equipment	103,475,968		Total Utilities	28,869,071
			<b>TOTAL COMMON STOCKS</b>		
			<b>(COST \$1,203,120,732)</b>		
			<u>1,361,150,817</u>		

**GMO U.S. Equity Allocation Fund**  
**(A Series of GMO Trust)**  
**Schedule of Investments — (Continued)**  
**(showing percentage of total net assets)**  
**February 28, 2018**

<u>Shares</u>	<u>Description</u>	<u>Value (\$)</u>
	<b>MUTUAL FUNDS — 0.5%</b>	
	<b>Affiliated Issuers — 0.5%</b>	
298,759	GMO U.S. Treasury Fund	<u>7,460,010</u>
	TOTAL MUTUAL FUNDS (COST \$7,462,998)	<u>7,460,010</u>
	<b>SHORT-TERM INVESTMENTS — 0.1%</b>	
	<b>Money Market Funds — 0.1%</b>	
1,193,552	State Street Institutional Treasury Money Market Fund-Premier Class, 1.33% <sup>(a)</sup>	<u>1,193,552</u>
	TOTAL SHORT-TERM INVESTMENTS (COST \$1,193,552)	<u>1,193,552</u>
	<b>TOTAL INVESTMENTS — 99.7%</b> (Cost \$1,211,777,282)	<b>1,369,804,379</b>
	Other Assets and Liabilities (net) — 0.3%	<u>3,911,967</u>
	<b>TOTAL NET ASSETS — 100.0%</b>	<b><u>\$1,373,716,346</u></b>

A summary of outstanding financial instruments at February 28, 2018 is as follows:

**Futures Contracts**

<u>Number of Contracts +</u>	<u>Type</u>	<u>Expiration Date</u>	<u>Notional Amount</u>	<u>Value/Net Unrealized Appreciation (Depreciation)</u>
Buy 20	S&P 500 E-mini	March 2018	\$2,714,400	<u>\$74,241</u>

+ Buys - Fund is long the futures contract.  
Sales - Fund is short the futures contract.

As of February 28, 2018, for the above contracts and/or agreements, the Fund had sufficient cash and/or securities to cover commitments or collateral requirements, if any, of the relevant broker or exchange.

**Notes to Schedule of Investments:**

\* Non-income producing security.

(a) The rate disclosed is the 7 day net yield as of February 28, 2018.

For a listing of definitions of acronyms, counterparty abbreviations and currency abbreviations used throughout the Schedule of Investments as well as the derivative tables, if any, please refer to page 83.

# GMO Trust Funds

## Schedule of Investments — (Continued) February 28, 2018 (Unaudited)

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### Portfolio Abbreviations:

ADR - American Depositary Receipt  
CDI - Certificado de Deposito Interbancario  
CP - Counterparty  
CPO - Ordinary Participation Certificate (Certificado de Participacion Ordinarias), representing a bundle of shares of the multiple series of one issuer that trade together as a unit.  
CVA - Certificaaten van aandelen (Share Certificates)  
ETF - Exchange-Traded Fund  
Foreign Registered - Shares issued to foreign investors in markets that have foreign ownership limits.  
GDR - Global Depositary Receipt  
JSC - Joint-Stock Company  
NVDR - Non-Voting Depositary Receipt  
OJSC - Open Joint-Stock Company  
OTC - Over-the-Counter  
PJSC - Private Joint-Stock Company  
QPSC - Qatari Public Shareholding Company  
REIT - Real Estate Investment Trust  
USBM - U.S. Treasury 3 Month Bill Money Market Yield

### Counterparty Abbreviations:

GSCO - Goldman Sachs & Co.	MSLC - Morgan Stanley & Co. LLC
GS - Goldman Sachs International	SSB - State Street Bank and Trust
MSCI - Morgan Stanley & Co. International PLC	Company

### Currency Abbreviations:

EUR - Euro	THB - Thai Baht
GBP - British Pound	USD - United States Dollar
PHP - Philippine Peso	

# GMO Trust Funds

## Statements of Assets and Liabilities — February 28, 2018

	Climate Change Fund	Emerging Domestic Opportunities Fund	Emerging Markets Fund	Foreign Small Companies Fund
<b>Assets:</b>				
Investments in affiliated issuers, at value (Notes 2 and 10) <sup>(a)</sup>	\$ 751,549	\$ 171,159,925	\$ 154,424,372	\$ 1,595,796
Investments in unaffiliated issuers, at value (Note 2) <sup>(b)</sup>	26,004,575	2,158,784,453	4,902,507,551	140,454,246
Foreign currency, at value (Note 2) <sup>(c)</sup>	4,945	734,323	11,989,910	52,637
Cash	—	—	135,219	3
Receivable for investments sold	—	80,210,828	34,628,246	2,073,876
Receivable for Fund shares sold	—	6,000,000	1,374,347	—
Dividend withholding tax receivable	12,293	170,004	7,285	526,154
Dividends and interest receivable	14,018	9,147,433	21,837,825	502,064
Unrealized appreciation on open forward currency contracts (Note 4)	—	2,394,566	—	—
Receivable for variation margin on open futures contracts (Note 4)	—	483,765	—	—
Due from broker (Note 2)	—	731,820	15,216,000	59,615
Receivable for open OTC swap contracts (Note 4)	—	—	435,941	—
Receivable for expenses reimbursed and/or waived by GMO (Note 5)	5,344	32,032	524,018	17,019
Total assets	<u>26,792,724</u>	<u>2,429,849,149</u>	<u>5,143,080,714</u>	<u>145,281,410</u>
<b>Liabilities:</b>				
Payable for investments purchased	952	22,585,793	21,508,215	3,015
Payable for Fund shares repurchased	—	—	7,539,429	—
Accrued foreign capital gains tax payable (Note 2)	—	277,504	1,961,331	—
Payable to affiliate for (Note 5):				
Management fee	12,279	1,397,730	2,959,594	81,902
Shareholder service fee	3,070	241,177	320,613	15,765
Payable for variation margin on open futures contracts (Note 4)	—	1,437,540	4,149,600	24,322
Unrealized depreciation on open forward currency contracts (Note 4)	—	38,794	—	—
Miscellaneous payable	—	—	1,008,500	—
Payable to agents unaffiliated with GMO	1	402	784	18
Payable to Trustees and related expenses	552	4,633	8,899	575
Accrued expenses	81,785	563,722	1,586,712	222,685
Total liabilities	<u>98,639</u>	<u>26,547,295</u>	<u>41,043,677</u>	<u>348,282</u>
<b>Net assets</b>	<b><u>\$26,694,085</u></b>	<b><u>\$2,403,301,854</u></b>	<b><u>\$5,102,037,037</u></b>	<b><u>\$144,933,128</u></b>
(a) Cost of investments – affiliated issuers:	\$ 751,849	\$ 142,900,591	\$ 116,231,497	\$ 1,595,796
(b) Cost of investments – unaffiliated issuers:	\$ 24,524,054	\$ 1,893,257,181	\$ 4,188,870,263	\$ 128,866,735
(c) Cost of foreign currency:	\$ 4,975	\$ 737,958	\$ 12,002,528	\$ 52,602

## GMO Trust Funds

### Statements of Assets and Liabilities — February 28, 2018 — (Continued)

	Climate Change Fund	Emerging Domestic Opportunities Fund	Emerging Markets Fund	Foreign Small Companies Fund
<b>Net assets consist of:</b>				
Paid-in capital	\$ 24,584,750	\$ 1,922,323,662	\$ 5,846,814,045	\$ 130,822,404
Accumulated undistributed (distributions in excess of) net investment income	123,555	(13,085,275)	(17,207,475)	(656,513)
Accumulated net realized gain (loss)	504,955	199,312,610	(1,495,893,329)	3,203,730
Net unrealized appreciation (depreciation)	1,480,825	294,750,857	768,323,796	11,563,507
	<b><u>\$26,694,085</u></b>	<b><u>\$2,403,301,854</u></b>	<b><u>\$5,102,037,037</u></b>	<b><u>\$144,933,128</u></b>
<b>Net assets attributable to:</b>				
Class II	\$ —	\$ 700,210,679	\$ 479,639,678	\$ —
Class III	\$ 26,694,085	\$ 121,510,793	\$ 390,826,722	\$ 55,169,245
Class IV	\$ —	\$ 300,729,735	\$ 485,103,665	\$ 89,763,883
Class V	\$ —	\$ 1,280,850,647	\$ 170,962,220	\$ —
Class VI	\$ —	\$ —	\$ 3,575,504,752	\$ —
<b>Shares outstanding:</b>				
Class II	—	24,261,204	13,171,241	—
Class III	1,121,361	4,209,931	10,703,604	3,864,831
Class IV	—	10,413,480	13,413,860	6,305,116
Class V	—	44,403,783	4,740,117	—
Class VI	—	—	98,890,676	—
<b>Net asset value per share:</b>				
Class II	\$ —	\$ 28.86	\$ 36.42	\$ —
Class III	\$ 23.81	\$ 28.86	\$ 36.51	\$ 14.27
Class IV	\$ —	\$ 28.88	\$ 36.16	\$ 14.24
Class V	\$ —	\$ 28.85	\$ 36.07	\$ —
Class VI	\$ —	\$ —	\$ 36.16	\$ —

## GMO Trust Funds

### Statements of Assets and Liabilities — February 28, 2018 — (Continued)

	International Equity Fund	International Large/Mid Cap Equity Fund	Quality Fund	Resources Fund
<b>Assets:</b>				
Investments in affiliated issuers, at value (Notes 2 and 10) <sup>(a)</sup>	\$ 61,069,100	\$ 1,181,128	\$ 51,092,040	\$ 6,504,509
Investments in unaffiliated issuers, at value (Note 2) <sup>(b)</sup>	4,981,614,237	80,321,365	8,143,693,323	343,185,713
Foreign currency, at value (Note 2) <sup>(c)</sup>	294,206	17,733	456,493	3,726
Cash	—	—	234	162
Receivable for investments sold	—	—	8,917,821	—
Receivable for Fund shares sold	9,511,738	2,023	1,485,506	82,398
Dividend withholding tax receivable	7,923,171	439,008	1,667,397	12,202
Dividends and interest receivable	8,650,352	131,169	14,694,575	754,114
Due from broker (Note 2)	1,965,104	55,302	—	—
Receivable for expenses reimbursed and/or waived by GMO (Note 5)	92,664	2,212	83,217	—
Total assets	<u>5,071,120,572</u>	<u>82,149,940</u>	<u>8,222,090,606</u>	<u>350,542,824</u>
<b>Liabilities:</b>				
Payable for investments purchased	—	—	11,867,866	—
Payable for Fund shares repurchased	891	—	6,705,733	—
Payable for recoupment of past waived and/or reimbursement fees (Note 5)	—	—	—	3,106
Payable to affiliate for (Note 5):				
Management fee	1,960,726	24,097	2,077,325	130,667
Shareholder service fee	375,633	6,000	642,844	28,077
Payable for variation margin on open futures contracts (Note 4)	456,875	11,825	—	—
Payable to agents unaffiliated with GMO	773	9	1,326	66
Payable to Trustees and related expenses	11,324	208	18,554	710
Accrued expenses	629,386	213,088	711,373	146,628
Total liabilities	<u>3,435,608</u>	<u>255,227</u>	<u>22,025,021</u>	<u>309,254</u>
<b>Net assets</b>	<b><u>\$5,067,684,964</u></b>	<b><u>\$81,894,713</u></b>	<b><u>\$8,200,065,585</u></b>	<b><u>\$350,233,570</u></b>
<sup>(a)</sup> Cost of investments – affiliated issuers:	\$ 61,084,746	\$ 1,181,854	\$ 51,112,501	\$ 6,506,313
<sup>(b)</sup> Cost of investments – unaffiliated issuers:	\$ 4,231,718,926	\$ 67,763,044	\$ 5,517,920,166	\$ 252,817,425
<sup>(c)</sup> Cost of foreign currency:	\$ 294,455	\$ 17,910	\$ 461,067	\$ 3,664



# GMO Trust Funds

## Statements of Assets and Liabilities — February 28, 2018 — (Continued)

	International Equity Fund	International Large/Mid Cap Equity Fund	Quality Fund	Resources Fund
<b>Net assets consist of:</b>				
Paid-in capital	\$ 5,462,671,757	\$ 70,774,782	\$ 5,307,390,160	\$ 314,189,702
Accumulated undistributed (distributions in excess of) net investment income	(13,818,897)	(1,455,458)	11,906,414	(6,055,705)
Accumulated net realized gain (loss)	(1,131,404,250)	120,055	254,973,346	(48,275,525)
Net unrealized appreciation (depreciation)	750,236,354	12,455,334	2,625,795,665	90,375,098
	<b><u>\$5,067,684,964</u></b>	<b><u>\$81,894,713</u></b>	<b><u>\$8,200,065,585</u></b>	<b><u>\$350,233,570</u></b>
<b>Net assets attributable to:</b>				
Class II	\$ 23,736,185	\$ —	\$ —	\$ —
Class III	\$ 485,781,711	\$ 81,118,949	\$ 3,524,102,926	\$ 54,037,103
Class IV	\$ 4,558,167,068	\$ 775,764	\$ 957,900,413	\$ 296,196,467
Class V	\$ —	\$ —	\$ 156,086,403	\$ —
Class VI	\$ —	\$ —	\$ 3,561,975,843	\$ —
<b>Shares outstanding:</b>				
Class II	1,004,597	—	—	—
Class III	20,309,340	3,081,317	140,221,544	2,587,405
Class IV	190,932,196	29,526	38,055,118	14,231,327
Class V	—	—	6,200,351	—
Class VI	—	—	141,724,824	—
<b>Net asset value per share:</b>				
Class II	\$ 23.63	\$ —	\$ —	\$ —
Class III	\$ 23.92	\$ 26.33	\$ 25.13	\$ 20.88
Class IV	\$ 23.87	\$ 26.27	\$ 25.17	\$ 20.81
Class V	\$ —	\$ —	\$ 25.17	\$ —
Class VI	\$ —	\$ —	\$ 25.13	\$ —

# GMO Trust Funds

## Statements of Assets and Liabilities — February 28, 2018 — (Continued)

	Risk Premium Fund	Tax-Managed International Equities Fund	U.S. Equity Allocation Fund
<b>Assets:</b>			
Investments in affiliated issuers, at value (Notes 2 and 10) <sup>(a)</sup>	\$ —	\$ 1,066,810	\$ 7,460,010
Investments in unaffiliated issuers, at value (Note 2) <sup>(b)</sup>	143,717,939	67,520,163	1,362,344,369
Foreign currency, at value (Note 2) <sup>(c)</sup>	—	23,951	—
Cash	8	—	—
Receivable for investments sold	—	1,016,766	—
Receivable for Fund shares sold	1,621,523	—	2,983,095
Dividend withholding tax receivable	—	133,253	—
Dividends and interest receivable	147,042	175,360	2,525,975
Receivable for variation margin on open futures contracts (Note 4)	—	—	—
Due from broker (Note 2)	1,469,954	43,144	365,008
Receivable for expenses reimbursed and/or waived by GMO (Note 5)	5,847	17,243	12,257
Total assets	<u>146,962,313</u>	<u>69,996,690</u>	<u>1,375,690,714</u>
<b>Liabilities:</b>			
Payable for Fund shares repurchased	—	1,000,000	1,359,591
Accrued foreign capital gains tax payable (Note 2)	—	9,143	—
Payable to affiliate for (Note 5):			
Management fee	49,576	27,016	328,312
Shareholder service fee	6,309	8,105	65,378
Payable for variation margin on open futures contracts (Note 4)	—	9,380	17,767
Written options outstanding, at value (Note 4) <sup>(d)</sup>	1,137,772	—	—
Payable to agents unaffiliated with GMO	28	9	224
Payable to Trustees and related expenses	365	286	3,062
Accrued expenses	96,665	161,019	200,034
Total liabilities	<u>1,290,715</u>	<u>1,214,958</u>	<u>1,974,368</u>
<b>Net assets</b>	<b><u>\$145,671,598</u></b>	<b><u>\$68,781,732</u></b>	<b><u>\$1,373,716,346</u></b>
<sup>(a)</sup> Cost of investments – affiliated issuers:	\$ —	\$ 1,067,237	\$ 7,462,998
<sup>(b)</sup> Cost of investments – unaffiliated issuers:	\$ 143,887,985	\$ 43,307,361	\$ 1,204,314,284
<sup>(c)</sup> Cost of foreign currency:	\$ —	\$ 24,075	\$ —
<sup>(d)</sup> Premiums on written options:	\$ 1,564,787	\$ —	\$ —

# GMO Trust Funds

## Statements of Assets and Liabilities — February 28, 2018 — (Continued)

	Risk Premium Fund	Tax-Managed International Equities Fund	U.S. Equity Allocation Fund
<b>Net assets consist of:</b>			
Paid-in capital	\$ 149,347,612	\$ 58,955,565	\$ 1,133,899,202
Accumulated undistributed (distributions in excess of) net investment income	219,156	(525,892)	2,966,523
Accumulated net realized gain (loss)	(4,152,139)	(13,803,737)	78,749,283
Net unrealized appreciation (depreciation)	256,969	24,155,796	158,101,338
	<b>\$145,671,598</b>	<b>\$68,781,732</b>	<b>\$1,373,716,346</b>
<b>Net assets attributable to:</b>			
Class III	\$ 3,433,995	\$ 68,781,732	\$ 77,297,134
Class IV	\$ —	\$ —	\$ 36,025,165
Class V	\$ —	\$ —	\$ 60,386,201
Class VI	\$ 142,237,603	\$ —	\$ 1,200,007,846
<b>Shares outstanding:</b>			
Class III	128,418	4,045,179	5,016,035
Class IV	—	—	2,335,768
Class V	—	—	3,934,848
Class VI	5,290,606	—	78,393,091
<b>Net asset value per share:</b>			
Class III	\$ 26.74	\$ 17.00	\$ 15.41
Class IV	\$ —	\$ —	\$ 15.42
Class V	\$ —	\$ —	\$ 15.35
Class VI	\$ 26.88	\$ —	\$ 15.31

# GMO Trust Funds

## Statements of Operations — Year Ended February 28, 2018

	Climate Change Fund*	Emerging Domestic Opportunities Fund	Emerging Markets Fund	Foreign Small Companies Fund
<b>Investment Income:</b>				
Dividends from unaffiliated issuers (Net of withholding tax) (Note 2) <sup>(a)</sup>	\$ 278,653	\$ 42,854,237	\$ 158,716,148	\$ 14,516,010
Dividends from affiliated issuers (Note 10)	8,482	2,701,266	2,763,805	88,965
Interest	—	404,419	997,839	30,167
Total investment income	<u>287,135</u>	<u>45,959,922</u>	<u>162,477,792</u>	<u>14,635,142</u>
<b>Expenses:</b>				
Management fee (Note 5)	92,433	17,119,290	38,424,346	2,954,842
Shareholder service fee – Class II (Note 5)	—	1,443,793	1,062,887	—
Shareholder service fee – Class III (Note 5)	23,108	196,330	344,456	222,409
Shareholder service fee – Class IV (Note 5)	—	360,349	701,816	299,358
Shareholder service fee – Class V (Note 5)	—	977,529	123,090	—
Shareholder service fee – Class VI (Note 5)	—	1,205**	1,978,499	—
Audit and tax fees	69,052	142,601	308,878	143,400
Custodian, fund accounting agent and transfer agent fees	21,416	2,171,940	5,630,309	424,248
Legal fees	7,568	34,712	70,455	15,457
Registration fees	4,265	8,520	35,787	3,631
Trustees' fees and related expenses (Note 5)	828	51,266	114,094	11,080
Miscellaneous	13,562	27,510	59,183	24,533
Total expenses	<u>232,232</u>	<u>22,535,045</u>	<u>48,853,800</u>	<u>4,098,958</u>
Fees and expenses reimbursed and/or waived by GMO (Note 5)	<u>(112,432)</u>	<u>(494,378)</u>	<u>(6,940,822)</u>	<u>(1,829,072)</u>
Net expenses	<u>119,800</u>	<u>22,040,667</u>	<u>41,912,978</u>	<u>2,269,886</u>
Net investment income (loss)	<u>167,335</u>	<u>23,919,255</u>	<u>120,564,814</u>	<u>12,365,256</u>
<b>Realized and unrealized gain (loss):</b>				
Net realized gain (loss) on:				
Investments in unaffiliated issuers (net of foreign capital gains tax) (Note 2) <sup>(b)</sup>	1,135,823	385,509,752	598,371,085	152,781,161
Investments in affiliated issuers	(2,633)	(1,058,480)	1,869,309	(6,332)
Futures contracts	—	17,257,928	31,278,684	648,798
Swap contracts	—	14,964,975	2,819,214	—
Forward currency contracts	—	(1,400,179)	—	—
Foreign currency and foreign currency related transactions	(4,870)	(202,305)	(1,080,393)	(440,344)
Net realized gain (loss)	<u>1,128,320</u>	<u>415,071,691</u>	<u>633,257,899</u>	<u>152,983,283***</u>
Change in net unrealized appreciation (depreciation) on:				
Investments in unaffiliated issuers (net of foreign capital gains tax) (Note 2) <sup>(c)</sup>	1,480,521	126,216,547	333,398,850	(55,460,519)
Investments in affiliated issuers	(300)	13,301,504	13,223,985	2,788
Futures contracts	—	(6,704,219)	17,956,362	(32,848)
Swap contracts	—	(740,882)	(599,390)	—
Forward currency contracts	—	1,866,853	—	302,043
Foreign currency and foreign currency related transactions	604	2,135,069	(995,090)	77,777
Net change in unrealized appreciation (depreciation)	<u>1,480,825</u>	<u>136,074,872</u>	<u>362,984,717</u>	<u>(55,110,759)</u>
Net realized and unrealized gain (loss)	<u>2,609,145</u>	<u>551,146,563</u>	<u>996,242,616</u>	<u>97,872,524</u>
<b>Net increase (decrease) in net assets resulting from operations</b>	<b><u>\$2,776,480</u></b>	<b><u>\$575,065,818</u></b>	<b><u>\$1,116,807,430</u></b>	<b><u>\$110,237,780</u></b>
<sup>(a)</sup> Withholding tax:	\$ 29,786	\$ 2,916,868	\$ 23,884,686	\$ 1,444,110
<sup>(b)</sup> Foreign capital gains tax on net realized gain (loss):	\$ —	\$ 8,273,206	\$ 6,282,014	\$ —
<sup>(c)</sup> Foreign capital gains tax on change in net unrealized appreciation (depreciation):	\$ —	\$ (1,961,460)	\$ (627,721)	\$ —

\* Period from April 5, 2017 (commencement of operations) through February 28, 2018.

\*\* Class VI liquidated on March 29, 2017.

\*\*\* For the details related to in-kind redemption realized gain (loss) please refer to Note 6.

# GMO Trust Funds

## Statements of Operations — Year Ended February 28, 2018 — (Continued)

	International Equity Fund	International Large/Mid Cap Equity Fund	Quality Fund	Resources Fund
<b>Investment Income:</b>				
Dividends from unaffiliated issuers (Net of withholding tax) (Note 2) <sup>(a)</sup>	\$ 169,484,117	\$ 4,122,804	\$ 162,708,383	\$ 6,702,106
Dividends from affiliated issuers (Note 10)	380,748	14,518	1,384,313	49,233
Interest	27,477	8,431	987,345	5,961
Total investment income	<u>169,892,342</u>	<u>4,145,753</u>	<u>165,080,041</u>	<u>6,757,300</u>
<b>Expenses:</b>				
Management fee (Note 5)	27,686,400	415,971	27,662,431	1,237,343
Shareholder service fee—Class II (Note 5)	37,201	—	—	—
Shareholder service fee—Class III (Note 5)	832,764	13,607	5,265,532	35,794
Shareholder service fee—Class IV (Note 5)	4,468,675	90,312	1,060,238	223,606
Shareholder service fee—Class V (Note 5)	—	—	314,289	—
Shareholder service fee—Class VI (Note 5)	—	26*	1,920,984	—
Audit and tax fees	181,907	226,071	102,984	86,708
Custodian, fund accounting agent and transfer agent fees	1,885,086	170,352	1,140,562	284,251
Legal fees	66,501	7,945	92,340	9,549
Registration fees	21,503	14,756	28,149	2,484
Trustees' fees and related expenses (Note 5)	126,574	1,623	195,855	5,587
Recoupment of past waived and/or reimbursed fees (Note 5)	—	—	—	14,512
Miscellaneous	50,856	14,314	25,052	15,409
Total expenses	<u>35,357,467</u>	<u>954,977</u>	<u>37,808,416</u>	<u>1,915,243</u>
Fees and expenses reimbursed and/or waived by GMO (Note 5)	<u>(2,110,216)</u>	<u>(293,752)</u>	<u>(1,348,128)</u>	<u>(144,580)</u>
Net expenses	<u>33,247,251</u>	<u>661,225</u>	<u>36,460,288</u>	<u>1,770,663</u>
Net investment income (loss)	<u>136,645,091</u>	<u>3,484,528</u>	<u>128,619,753</u>	<u>4,986,637</u>
<b>Realized and unrealized gain (loss):</b>				
Net realized gain (loss) on:				
Investments in unaffiliated issuers (net of foreign capital gains tax) (Note 2)	327,569,146	13,618,416	713,207,992	12,985,895
Investments in affiliated issuers	(33,122)	(11,145)	(120,039)	(2,988)
Futures contracts	5,402,203	172,648	—	—
Foreign currency and foreign currency related transactions	196,933	(94,394)	100,379	(3,692)
Net realized gain (loss)	<u>333,135,160</u>	<u>13,685,525</u>	<u>713,188,332</u>	<u>12,979,215</u>
Change in net unrealized appreciation (depreciation) on:				
Investments in unaffiliated issuers (net of foreign capital gains tax) (Note 2)	609,281,995	5,426,445	922,362,340	42,858,314
Investments in affiliated issuers	(15,646)	(730)	(37,441)	(2,585)
Futures contracts	(5,376)	(42,734)	—	—
Foreign currency and foreign currency related transactions	1,745,603	224,282	556,969	15,318
Net change in unrealized appreciation (depreciation)	<u>611,006,576</u>	<u>5,607,263</u>	<u>922,881,868</u>	<u>42,871,047</u>
Net realized and unrealized gain (loss)	<u>944,141,736</u>	<u>19,292,788</u>	<u>1,636,070,200</u>	<u>55,850,262</u>
<b>Net increase (decrease) in net assets resulting from operations</b>	<b><u>\$1,080,786,827</u></b>	<b><u>\$22,777,316</u></b>	<b><u>\$1,764,689,953</u></b>	<b><u>\$60,836,899</u></b>
<sup>(a)</sup> Withholding tax:	\$ 16,792,495	\$ 412,504	\$ 2,605,420	\$ 640,262
* Class VI liquidated on March 29, 2017.				

# GMO Trust Funds

## Statements of Operations — Year Ended February 28, 2018 — (Continued)

	Risk Premium Fund	Tax-Managed International Equities Fund	U.S. Equity Allocation Fund
<b>Investment Income:</b>			
Dividends from unaffiliated issuers (Net of withholding tax) (Note 2) <sup>(a)</sup>	\$ 5,332	\$ 3,222,538	\$ 35,258,008
Interest	1,468,466	—	29,436
Dividends from affiliated issuers (Note 10)	—	11,993	122,889
Total investment income	<u>1,473,798</u>	<u>3,234,531</u>	<u>35,410,333</u>
<b>Expenses:</b>			
Management fee (Note 5)	679,159	529,525	4,875,611
Shareholder service fee – Class III (Note 5)	6,472	158,857	110,609
Shareholder service fee – Class IV (Note 5)	—	—	29,815
Shareholder service fee – Class V (Note 5)	—	—	110,546
Shareholder service fee – Class VI (Note 5)	80,636	—	736,543
Audit and tax fees	51,970	129,205	71,447
Custodian, fund accounting agent and transfer agent fees	35,275	237,910	168,465
Legal fees	2,056	8,916	31,606
Registration fees	3,769	2,765	22,845
Trustees' fees and related expenses (Note 5)	3,530	2,564	36,718
Miscellaneous	26,277	38,910	13,556
Total expenses	889,144	1,108,652	6,207,761
Fees and expenses reimbursed and/or waived by GMO (Note 5)	(118,582)	(363,311)	(295,942)
Net expenses	<u>770,562</u>	<u>745,341</u>	<u>5,911,819</u>
Net investment income (loss)	<u>703,236</u>	<u>2,489,190</u>	<u>29,498,514</u>
<b>Realized and unrealized gain (loss):</b>			
Net realized gain (loss) on:			
Investments in unaffiliated issuers (net of foreign capital gains tax) (Note 2)	7,118	17,504,488	188,004,161
Investments in affiliated issuers	—	(347)	(7,109)
Futures contracts	—	99,587	2,120,298
Written options	9,169,404	—	—
Foreign currency and foreign currency related transactions	(79,414)	(14,753)	—
Net realized gain (loss)	<u>9,097,108</u>	<u>17,588,975</u>	<u>190,117,350</u>
Change in net unrealized appreciation (depreciation) on:			
Investments in unaffiliated issuers (net of foreign capital gains tax) (Note 2) <sup>(b)</sup>	(153,639)	4,163,998	(18,525,563)
Investments in affiliated issuers	—	(430)	(2,988)
Futures contracts	—	(45,489)	74,241
Written options	(273,901)	—	—
Foreign currency and foreign currency related transactions	—	43,864	—
Net change in unrealized appreciation (depreciation)	<u>(427,540)</u>	<u>4,161,943</u>	<u>(18,454,310)</u>
Net realized and unrealized gain (loss)	<u>8,669,568</u>	<u>21,750,918</u>	<u>171,663,040</u>
<b>Net increase (decrease) in net assets resulting from operations</b>	<b><u>\$9,372,804</u></b>	<b><u>\$24,240,108</u></b>	<b><u>\$201,161,554</u></b>
<sup>(a)</sup> Withholding tax:	\$ —	\$ 359,947	\$ 4,693
<sup>(b)</sup> Foreign capital gains tax on change in net unrealized appreciation (depreciation):	\$ —	\$ 9,143	\$ —

# GMO Trust Funds

## Statements of Changes in Net Assets

	Climate Change Fund	Emerging Domestic Opportunities Fund	
	Period from April 5, 2017 (commencement of operations) through February 28, 2018	Year Ended February 28, 2018      2017	
<b>Increase (decrease) in net assets:</b>			
Operations:			
Net investment income (loss)	\$ 167,335	\$ 23,919,255	\$ 24,223,477
Net realized gain (loss)	1,128,320	415,071,691	63,783,078
Change in net unrealized appreciation (depreciation)	1,480,825	136,074,872	286,724,494
Net increase (decrease) in net assets from operations	2,776,480	575,065,818	374,731,049
Distributions to shareholders from:			
Net investment income			
Class II	—	(8,577,224)	(16,074,541)
Class III	(176,067)	(1,697,769)	(4,625,740)
Class IV	—	(4,239,894)	(16,393,890)
Class V	—	(16,995,140)	(22,714,666)
Class VI	—	—*	(301,900)
Total distributions from net investment income	(176,067)	(31,510,027)	(60,110,737)
Net realized gains			
Class III	(491,078)	—	—
Total distributions from net realized gains	(491,078)	—	—
Net share transactions (Note 9):			
Class II	—	(60,122,470)	(49,674,608)
Class III	24,584,750	(39,709,374)	(148,973,139)
Class IV	—	(119,146,650)	(551,680,333)
Class V	—	61,706,976	584,300,107
Class VI	—	(16,244,932)*	4,115,333
Increase (decrease) in net assets resulting from net share transactions	24,584,750	(173,516,450)	(161,912,640)
Purchase premiums and redemption fees (Notes 2 and 9):			
Class II	—	617,648	666,973
Class III	—	118,506	189,178
Class IV	—	312,031	789,104
Class V	—	1,095,122	627,488
Class VI	—	2,117*	12,335
Increase in net assets resulting from purchase premiums and redemption fees	—	2,145,424	2,285,078
Total increase (decrease) in net assets resulting from net share transactions, purchase premiums and redemption fees	24,584,750	(171,371,026)	(159,627,562)
Total increase (decrease) in net assets	26,694,085	372,184,765	154,992,750
<b>Net assets:</b>			
Beginning of period	—	2,031,117,089	1,876,124,339
End of period	\$26,694,085	\$2,403,301,854	\$2,031,117,089
Accumulated undistributed (distributions in excess of) net investment income	\$ 123,555	\$ (13,085,275)	\$ (26,884,070)

\* Class VI liquidated on March 29, 2017.

# GMO Trust Funds

## Statements of Changes in Net Assets — (Continued)

	Emerging Markets Fund		Foreign Small Companies Fund	
	Year Ended February 28,		Year Ended February 28,	
	2018	2017	2018	2017
<b>Increase (decrease) in net assets:</b>				
Operations:				
Net investment income (loss)	\$ 120,564,814	\$ 112,638,039	\$ 12,365,256	\$ 16,996,400
Net realized gain (loss)	633,257,899	(370,563,280)	152,983,283	18,702,055
Change in net unrealized appreciation (depreciation)	362,984,717	1,756,659,281	(55,110,759)	88,052,231
Net increase (decrease) in net assets from operations	1,116,807,430	1,498,734,040	110,237,780	123,750,686
Distributions to shareholders from:				
Net investment income				
Class II	(11,956,275)	(9,908,272)	—	—
Class III	(5,490,308)	(5,175,773)	(3,824,869)	(8,085,286)
Class IV	(14,250,088)	(6,690,386)	(9,440,862)	(15,561,235)
Class V	(4,213,667)	(9,258,670)	—	—
Class VI	(100,502,683)	(78,005,121)	—	—
Total distributions from net investment income	(136,413,021)	(109,038,222)	(13,265,731)	(23,646,521)
Net realized gains				
Class III	—	—	(13,747,999)	—
Class IV	—	—	(32,945,889)	—
Total distributions from net realized gains	—	—	(46,693,888)	—
Net share transactions (Note 9):				
Class II	(111,903,150)	(177,168,152)	—	—
Class III	42,508,224	52,256,879	(209,670,456)	(103,344,633)
Class IV	(225,782,751)	241,413,390	(514,884,481)	(102,922,984)
Class V	33,512,592	(258,808,154)	—	—
Class VI	(650,491,952)	(1,166,985,719)	—	—
Increase (decrease) in net assets resulting from net share transactions	(912,157,037)	(1,309,291,756)	(724,554,937)	(206,267,617)
Purchase premiums and redemption fees (Notes 2 and 9):				
Class II	1,611,194	1,529,910	—	—
Class III	737,313	719,593	398,979	332,346
Class IV	2,193,709	922,716	830,322	843,880
Class V	479,079	1,099,805	—	—
Class VI	11,838,878	11,065,007	—	—
Increase in net assets resulting from purchase premiums and redemption fees	16,860,173	15,337,031	1,229,301	1,176,226
Total increase (decrease) in net assets resulting from net share transactions, purchase premiums and redemption fees	(895,296,864)	(1,293,954,725)	(723,325,636)	(205,091,391)
Total increase (decrease) in net assets	85,097,545	95,741,093	(673,047,475)	(104,987,226)
<b>Net assets:</b>				
Beginning of period	5,016,939,492	4,921,198,399	817,980,603	922,967,829
End of period	\$5,102,037,037	\$ 5,016,939,492	\$ 144,933,128	\$ 817,980,603
Accumulated undistributed (distributions in excess of) net investment income	\$ (17,207,475)	\$ (33,369,509)	\$ (656,513)	\$ (7,947,837)



# GMO Trust Funds

## Statements of Changes in Net Assets — (Continued)

	International Equity Fund		International Large/Mid Cap Equity Fund	
	Year Ended February 28,		Year Ended February 28,	
	2018	2017	2018	2017
<b>Increase (decrease) in net assets:</b>				
Operations:				
Net investment income (loss)	\$ 136,645,091	\$ 234,589,376	\$ 3,484,528	\$ 35,443,205
Net realized gain (loss)	333,135,160	(369,427,536)	13,685,525	(97,865,009)
Change in net unrealized appreciation (depreciation)	611,006,576	1,244,221,114	5,607,263	197,009,217
Net increase (decrease) in net assets from operations	1,080,786,827	1,109,382,954	22,777,316	134,587,413
Distributions to shareholders from:				
Net investment income				
Class II	(592,109)	(1,695,696)	—	—
Class III	(15,748,937)	(29,374,478)	(520,210)	(8,124,692)
Class IV	(157,085,524)	(231,403,335)	(3,905,515)	(17,599,928)
Class VI	—	—	—*	(14,995,054)
Total distributions from net investment income	(173,426,570)	(262,473,509)	(4,425,725)	(40,719,674)
Net realized gains				
Class III	—	—	(391,628)	—
Class IV	—	—	(9,849,041)	—
Total distributions from net realized gains	—	—	(10,240,669)	—
Net share transactions (Note 9):				
Class II	11,254,887	(77,406,799)	—	—
Class III	(340,134,465)	(418,557,020)	41,540,025	(454,115,817)
Class IV	(1,324,181,462)	(2,713,470,910)	(152,989,906)	(549,754,619)
Class VI	—	—	(616,556)*	(285,325,217)
Increase (decrease) in net assets resulting from net share transactions	(1,653,061,040)	(3,209,434,729)	(112,066,437)	(1,289,195,653)
Total increase (decrease) in net assets	(745,700,783)	(2,362,525,284)	(103,955,515)	(1,195,327,914)
<b>Net assets:</b>				
Beginning of period	5,813,385,747	8,175,911,031	185,850,228	1,381,178,142
End of period	\$ 5,067,684,964	\$ 5,813,385,747	\$ 81,894,713	\$ 185,850,228
Accumulated undistributed (distributions in excess of) net investment income	\$ (13,818,897)	\$ (1,659,043)	\$ (1,455,458)	\$ (801,660)

\* Class VI liquidated on March 29, 2017.

# GMO Trust Funds

## Statements of Changes in Net Assets — (Continued)

	<u>Quality Fund</u>		<u>Resources Fund</u>	
	<u>Year Ended</u>		<u>Year Ended</u>	
	<u>February 28,</u>		<u>February 28,</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
<b>Increase (decrease) in net assets:</b>				
Operations:				
Net investment income (loss)	\$ 128,619,753	\$ 144,430,599	\$ 4,986,637	\$ 4,336,029
Net realized gain (loss)	713,188,332	124,186,937	12,979,215	(15,646,712)
Change in net unrealized appreciation (depreciation)	922,881,868	1,215,507,372	42,871,047	92,766,423
Net increase (decrease) in net assets from operations	<u>1,764,689,953</u>	<u>1,484,124,908</u>	<u>60,836,899</u>	<u>81,455,740</u>
Distributions to shareholders from:				
Net investment income				
Class III	(56,641,958)	(57,275,158)	(880,349)	(537,264)
Class IV	(15,493,213)	(22,564,133)	(10,056,534)	(5,489,443)
Class V	(4,742,268)	(7,845,378)	—	—
Class VI	(59,448,671)	(60,728,903)	—	—
Total distributions from net investment income	<u>(136,326,110)</u>	<u>(148,413,572)</u>	<u>(10,936,883)</u>	<u>(6,026,707)</u>
Net realized gains				
Class III	(219,320,323)	(70,068,944)	—	—
Class IV	(58,604,732)	(20,077,057)	—	—
Class V	(16,385,208)	(7,430,364)	—	—
Class VI	(218,783,386)	(57,344,795)	—	—
Total distributions from net realized gains	<u>(513,093,649)</u>	<u>(154,921,160)</u>	<u>—</u>	<u>—</u>
Net share transactions (Note 9):				
Class III	(524,533,540)	(947,621,009)	27,821,128	2,267,643
Class IV	(403,819,622)	(265,229,455)	59,123,014	(49,883,908)
Class V	(369,399,954)	132,591,501	—	—
Class VI	(249,653,450)	1,259,875,418	—	—
Increase (decrease) in net assets resulting from net share transactions	<u>(1,547,406,566)</u>	<u>179,616,455</u>	<u>86,944,142</u>	<u>(47,616,265)</u>
Purchase premiums and redemption fees (Notes 2 and 9):				
Class III	—	—	60,364	19,745
Class IV	—	—	507,680	204,990
Increase in net assets resulting from purchase premiums and redemption fees	<u>—</u>	<u>—</u>	<u>568,044</u>	<u>224,735</u>
Total increase (decrease) in net assets resulting from net share transactions, purchase premiums and redemption fees	<u>(1,547,406,566)</u>	<u>179,616,455</u>	<u>87,512,186</u>	<u>(47,391,530)</u>
Total increase (decrease) in net assets	<u>(432,136,372)</u>	<u>1,360,406,631</u>	<u>137,412,202</u>	<u>28,037,503</u>
<b>Net assets:</b>				
Beginning of period	<u>8,632,201,957</u>	<u>7,271,795,326</u>	<u>212,821,368</u>	<u>184,783,865</u>
End of period	<u>\$ 8,200,065,585</u>	<u>\$8,632,201,957</u>	<u>\$350,233,570</u>	<u>\$212,821,368</u>
Accumulated undistributed (distributions in excess of) net investment income	<u>\$ 11,906,414</u>	<u>\$ 12,124,473</u>	<u>\$ (6,055,705)</u>	<u>\$ (1,125,547)</u>

# GMO Trust Funds

## Statements of Changes in Net Assets — (Continued)

	Risk Premium Fund		Tax-Managed International Equities Fund	
	Year Ended February 28,		Year Ended February 28,	
	2018	2017	2018	2017
<b>Increase (decrease) in net assets:</b>				
Operations:				
Net investment income (loss)	\$ 703,236	\$ (149,080)	\$ 2,489,190	\$ 4,929,895
Net realized gain (loss)	9,097,108	38,623,802	17,588,975	12,543,953
Change in net unrealized appreciation (depreciation)	(427,540)	(1,976,415)	4,161,943	7,346,320
Net increase (decrease) in net assets from operations	9,372,804	36,498,307	24,240,108	24,820,168
Distributions to shareholders from:				
Net investment income				
Class III	(7,176)	—	(3,315,762)	(5,479,378)
Class VI	(463,232)	—	—	—
Total distributions from net investment income	(470,408)	—	(3,315,762)	(5,479,378)
Net realized gains				
Class III	(717,032)	(544,070)	—	—
Class VI	(23,541,333)	(12,713,932)	—	—
Total distributions from net realized gains	(24,258,365)	(13,258,002)	—	—
Net share transactions (Note 9):				
Class III	(1,182,676)	(2,521,322)	(67,875,263)	(119,585,524)
Class VI	1,739,919	(91,116,939)	—	—
Increase (decrease) in net assets resulting from net share transactions	557,243	(93,638,261)	(67,875,263)	(119,585,524)
Purchase premiums and redemption fees (Notes 2 and 9):				
Class III	1,406	6,093	—	—
Class VI	45,191	154,283	—	—
Increase in net assets resulting from purchase premiums and redemption fees	46,597	160,376	—	—
Total increase (decrease) in net assets resulting from net share transactions, purchase premiums and redemption fees	603,840	(93,477,885)	(67,875,263)	(119,585,524)
Total increase (decrease) in net assets	(14,752,129)	(70,237,580)	(46,950,917)	(100,244,734)
<b>Net assets:</b>				
Beginning of period	160,423,727	230,661,307	115,732,649	215,977,383
End of period	\$145,671,598	\$160,423,727	\$ 68,781,732	\$ 115,732,649
Accumulated undistributed (distributions in excess of) net investment income	\$ 219,156	\$ (8,343)	\$ (525,892)	\$ (375,725)

# GMO Trust Funds

## Statements of Changes in Net Assets — (Continued)

	U.S. Equity Allocation Fund	
	Year Ended February 28,	
	2018	2017
<b>Increase (decrease) in net assets:</b>		
Operations:		
Net investment income (loss)	\$ 29,498,514	\$ 53,844,150
Net realized gain (loss)	190,117,350	308,821,319
Change in net unrealized appreciation (depreciation)	(18,454,310)	274,479,806
	<u>201,161,554</u>	<u>637,145,275</u>
Distributions to shareholders from:		
Net investment income		
Class III	(1,071,935)	(3,242,235)
Class IV	(426,461)	(3,297,483)
Class V	(2,144,892)	(2,051,735)
Class VI	(24,505,927)	(54,438,157)
Total distributions from net investment income	<u>(28,149,215)</u>	<u>(63,029,610)</u>
Net realized gains		
Class III	(6,499,591)	(10,903,518)
Class IV	(2,930,389)	(4,144,649)
Class V	(12,130,947)	(14,444,911)
Class VI	(123,226,362)	(169,453,338)
Total distributions from net realized gains	<u>(144,787,289)</u>	<u>(198,946,416)</u>
Net share transactions (Note 9):		
Class III	(32,682,528)	(102,529,429)
Class IV	18,607,196	(534,602,197)
Class V	(106,801,014)	162,994,661
Class VI	(294,652,578)	(2,687,005,631)
Increase (decrease) in net assets resulting from net share transactions	<u>(415,528,924)</u>	<u>(3,161,142,596)</u>
Total increase (decrease) in net assets	<u>(387,303,874)</u>	<u>(2,785,973,347)</u>
<b>Net assets:</b>		
Beginning of period	1,761,020,220	4,546,993,567
End of period	<u>\$1,373,716,346</u>	<u>\$ 1,761,020,220</u>
Accumulated undistributed (distributions in excess of) net investment income	<u>\$ 2,966,523</u>	<u>\$ 1,744,705</u>

# GMO Trust Funds

## Financial Highlights

(For a share outstanding throughout the period)

### CLIMATE CHANGE FUND

	<u>Class III Shares</u>
	<u>Period from</u>
	<u>April 5,</u>
	<u>2017</u>
	<u>(commencement</u>
	<u>of operations)</u>
	<u>through</u>
	<u>February 28,</u>
	<u>2018</u>
	<u>-----</u>
<b>Net asset value, beginning of period</b>	\$ 20.00
Income (loss) from investment operations:	
Net investment income (loss) <sup>(a)†</sup>	0.23
Net realized and unrealized gain (loss)	4.41
Total from investment operations	<u>4.64</u>
Less distributions to shareholders:	
From net investment income	(0.22)
From net realized gains	(0.61)
Total distributions	<u>(0.83)</u>
<b>Net asset value, end of period</b>	<u>\$ 23.81</u>
<b>Total Return<sup>(b)</sup></b>	23.28%**
<b>Ratios/Supplemental Data:</b>	
Net assets, end of period (000's)	\$26,694
Net expenses to average daily net assets <sup>(c)</sup>	0.78%*
Net investment income (loss) to average daily net assets <sup>(a)</sup>	1.09%*
Portfolio turnover rate <sup>(d)</sup>	44%**
Fees and expenses reimbursed and/or waived by GMO to average daily net assets:	0.73%*

<sup>(a)</sup> Net investment income is affected by the timing of the declaration of dividends by the underlying funds in which the Fund invests, if any.

<sup>(b)</sup> The total returns would have been lower had certain expenses not been reimbursed and/or waived during the periods shown, if applicable, and assumes the effect of reinvested distributions, if any. Calculation excludes purchase premiums and redemption fees which are borne by the shareholder purchasing or redeeming Fund shares, if any.

<sup>(c)</sup> Net expenses exclude expenses incurred indirectly through investment in the underlying funds (Note 5).

<sup>(d)</sup> The portfolio turnover rate excludes investments in GMO U.S. Treasury Fund ("USTF") which is used as a short-term investment vehicle for cash management. The Fund's portfolio turnover rate during the period ended February 28, 2018, including transactions in USTF, was 174% of the average value of its portfolio.

† Calculated using average shares outstanding throughout the period.

\* Annualized.

\*\* Not annualized.

# GMO Trust Funds

## Financial Highlights

(For a share outstanding throughout each period)

### EMERGING DOMESTIC OPPORTUNITIES FUND

	Class II Shares					Class III Shares					Period from November 29, 2013 (commencement of operations) through February 28, 2014
	Year Ended February 28/29,					Year Ended February 28/29,					
	2018	2017	2016	2015	2014	2018	2017	2016	2015	2014	
<b>Net asset value, beginning of period</b>	\$ 22.64	\$ 19.36	\$ 23.99	\$ 22.55	\$ 24.60	\$ 22.64	\$ 19.35	\$ 23.98	\$ 22.54	\$ 24.59	
Income (loss) from investment operations:											
Net investment income (loss) <sup>(a)†</sup>	0.25	0.25	0.34	0.28	0.26	0.27	0.27	0.36	0.29	0.30	
Net realized and unrealized gain (loss)	6.33	3.68	(4.60)	1.55	(1.22)	6.32	3.68	(4.60)	1.55	(1.24)	
Total from investment operations	6.58	3.93	(4.26)	1.83	(0.96)	6.59	3.95	(4.24)	1.84	(0.94)	
Less distributions to shareholders:											
From net investment income	(0.36)	(0.65)	(0.37)	(0.23)	(0.30)	(0.37)	(0.66)	(0.39)	(0.24)	(0.32)	
From net realized gains	—	—	—	(0.16)	(0.79)	—	—	—	(0.16)	(0.79)	
Total distributions	(0.36)	(0.65)	(0.37)	(0.39)	(1.09)	(0.37)	(0.66)	(0.39)	(0.40)	(1.11)	
<b>Net asset value, end of period</b>	\$ 28.86	\$ 22.64	\$ 19.36	\$ 23.99	\$ 22.55	\$ 28.86	\$ 22.64	\$ 19.35	\$ 23.98	\$ 22.54	
<b>Total Return<sup>(b)</sup></b>	29.10%	20.62%	(17.91)%	8.18%	(4.01)%	29.17%	20.73%	(17.86)%	8.23%	(3.95)%	
<b>Ratios/Supplemental Data:</b>											
Net assets, end of period (000's)	\$700,211	\$603,565	\$556,539	\$738,035	\$621,278	\$ 121,511	\$129,068	\$242,740	\$336,488	\$384,757	
Net expenses to average daily net assets <sup>(c)</sup>	1.06%	1.06%	1.07%	1.07%	1.07% <sup>(d)</sup>	0.99%	0.99%	1.00%	1.00%	1.00% <sup>(d)</sup>	
Net investment income (loss) to average daily net assets <sup>(a)</sup>	0.96%	1.12%	1.51%	1.21%	1.09%	1.05%	1.26%	1.61%	1.26%	1.23%	
Portfolio turnover rate	201% <sup>(e)</sup>	227% <sup>(e)</sup>	250%	204%	274%	201% <sup>(e)</sup>	227% <sup>(e)</sup>	250%	204%	274%	
Fees and expenses reimbursed and/or waived by GMO to average daily net assets:	0.02%	0.04%	0.04%	0.03%	0.03%	0.02%	0.05%	0.04%	0.03%	0.03%	
Purchase premiums and redemption fees consisted of the following per share amounts (Note 2):†	\$ 0.03	\$ 0.02	\$ 0.04	\$ 0.03	\$ 0.10	\$ 0.02	\$ 0.02	\$ 0.03	\$ 0.03	\$ 0.09	
	Class IV Shares					Class V Shares					
	Year Ended February 28/29,					Year Ended February 28/29,					
	2018	2017	2016	2015	2014	2018	2017	2016	2015	2014	
<b>Net asset value, beginning of period</b>	\$ 22.65	\$ 19.36	\$ 24.00	\$ 22.56	\$ 24.60	\$ 22.62	\$ 19.35	\$ 23.98	\$ 22.54	\$ 24.52	
Income (loss) from investment operations:											
Net investment income (loss) <sup>(a)†</sup>	0.27	0.29	0.36	0.30	0.31	0.29	0.23	0.37	0.31	0.01	
Net realized and unrealized gain (loss)	6.34	3.67	(4.60)	1.56	(1.23)	6.33	3.73	(4.59)	1.55	(1.20)	
Total from investment operations	6.61	3.96	(4.24)	1.86	(0.92)	6.62	3.96	(4.22)	1.86	(1.19)	
Less distributions to shareholders:											
From net investment income	(0.38)	(0.67)	(0.40)	(0.26)	(0.33)	(0.39)	(0.69)	(0.41)	(0.26)	(0.34)	
From net realized gains	—	—	—	(0.16)	(0.79)	—	—	—	(0.16)	(0.45)	
Total distributions	(0.38)	(0.67)	(0.40)	(0.42)	(1.12)	(0.39)	(0.69)	(0.41)	(0.42)	(0.79)	
<b>Net asset value, end of period</b>	\$ 28.88	\$ 22.65	\$ 19.36	\$ 24.00	\$ 22.56	\$ 28.85	\$ 22.62	\$ 19.35	\$ 23.98	\$ 22.54	
<b>Total Return<sup>(b)</sup></b>	29.24%	20.80%	(17.84)%	8.29%	(3.88)%	29.31%	20.78%	(17.79)%	8.32%	(4.95)%**	
<b>Ratios/Supplemental Data:</b>											
Net assets, end of period (000's)	\$300,730	\$335,225	\$745,300	\$686,589	\$659,592	\$1,280,851	\$948,052	\$322,379	\$255,379	\$235,753	
Net expenses to average daily net assets <sup>(c)</sup>	0.94%	0.95%	0.96%	0.95%	0.95% <sup>(d)</sup>	0.92%	0.93%	0.94%	0.93%	0.94% <sup>(d)</sup>	
Net investment income (loss) to average daily net assets <sup>(a)</sup>	1.05%	1.34%	1.61%	1.29%	1.29%	1.09%	1.04%	1.65%	1.32%	0.09%	
Portfolio turnover rate	201% <sup>(e)</sup>	227% <sup>(e)</sup>	250%	204%	274%	201% <sup>(e)</sup>	227% <sup>(e)</sup>	250%	204%	274%***††	
Fees and expenses reimbursed and/or waived by GMO to average daily net assets:	0.02%	0.04%	0.04%	0.03%	0.03%	0.02%	0.05%	0.04%	0.03%	0.06%*	
Purchase premiums and redemption fees consisted of the following per share amounts (Note 2):†	\$ 0.02	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.10	\$ 0.03	\$ 0.03	\$ 0.04	\$ 0.03	\$ 0.02	

(a) Net investment income is affected by the timing of the declaration of dividends by the underlying funds in which the Fund invests, if any.

(b) The total returns would have been lower had certain expenses not been reimbursed and/or waived during the periods shown, if applicable, and assumes the effect of reinvested distributions, if any. Calculation excludes purchase premiums and redemption fees which are borne by the shareholder purchasing or redeeming Fund shares, if any.

(c) Net expenses exclude expenses incurred indirectly through investment in the underlying funds (Note 5).

(d) The net expense ratio does not include the effect of expense reductions (Note 2).

(e) The portfolio turnover rate excludes investments in GMO U.S. Treasury Fund ("USTF") which is used as a short-term investment vehicle for cash management. The Fund's portfolio turnover rate during the years ended February 28, 2018 and February 28, 2017, including transactions in USTF, was 254% and 271%, respectively, of the average value of its portfolio.

† Calculated using average shares outstanding throughout the period.

†† Calculation represents portfolio turnover of the Fund for the year ended February 28, 2014.

\* Annualized.

\*\* Not annualized.



# GMO Trust Funds

## Financial Highlights

(For a share outstanding throughout each period)

### EMERGING MARKETS FUND (continued)

	Class VI Shares				
	Year Ended February 28/29,				
	2018	2017 <sup>(a)</sup>	2016 <sup>(a)</sup>	2015 <sup>(a)</sup>	2014 <sup>(a)</sup>
<b>Net asset value, beginning of period</b>	\$ 29.77	\$ 22.62	\$ 30.30	\$ 30.45	\$ 35.04
Income (loss) from investment operations:					
Net investment income (loss) <sup>(b)†</sup>	0.78	0.63	0.69	0.90	0.78
Net realized and unrealized gain (loss)	6.56	7.17	(7.50)	(0.03) <sup>(c)</sup>	(4.47)
Total from investment operations	7.34	7.80	(6.81)	0.87	(3.69)
Less distributions to shareholders:					
From net investment income	(0.95)	(0.65)	(0.87)	(1.02)	(0.90)
Total distributions	(0.95)	(0.65)	(0.87)	(1.02)	(0.90)
<b>Net asset value, end of period</b>	\$ 36.16	\$ 29.77	\$ 22.62	\$ 30.30	\$ 30.45
<b>Total Return<sup>(d)</sup></b>	24.90%	34.83%	(22.71)%	2.96%	(10.69)%
<b>Ratios/Supplemental Data:</b>					
Net assets, end of period (000's)	\$3,575,505	\$3,524,022	\$3,661,271	\$5,194,557	\$5,220,293
Net expenses to average daily net assets <sup>(e)</sup>	0.78%	0.89%	0.91%	0.89%	0.88% <sup>(f)</sup>
Net investment income (loss) to average daily net assets <sup>(b)</sup>	2.36%	2.32%	2.61%	2.79%	2.43%
Portfolio turnover rate	87% <sup>(g)</sup>	62% <sup>(g)</sup>	104%	94%	98%
Fees and expenses reimbursed and/or waived by GMO to average daily net assets:	0.14%	0.06%	0.04%	0.04%	0.04%
Purchase premiums and redemption fees consisted of the following per share amounts (Note 2):†	\$ 0.11	\$ 0.08 <sup>(a)</sup>	\$ 0.09 <sup>(a)</sup>	\$ 0.11 <sup>(a)</sup>	\$ 0.10 <sup>(a)</sup>

<sup>(a)</sup> Per share amounts were adjusted to reflect a 1:3 reverse stock split effective July 15, 2016.

<sup>(b)</sup> Net investment income is affected by the timing of the declaration of dividends by the underlying funds in which the Fund invests, if any.

<sup>(c)</sup> The amount shown for a share outstanding does not correspond with the aggregate net realized and unrealized gain (loss) on investments due to the timing of purchases and redemptions of Fund shares in relation to fluctuating market values of the investments of the Fund.

<sup>(d)</sup> The total returns would have been lower had certain expenses not been reimbursed and/or waived during the periods shown, if applicable, and assumes the effect of reinvested distributions, if any. Calculation excludes purchase premiums and redemption fees which are borne by the shareholder purchasing or redeeming Fund shares, if any.

<sup>(e)</sup> Net expenses exclude expenses incurred indirectly through investment in the underlying funds (Note 5).

<sup>(f)</sup> The net expense ratio does not include the effect of expense reductions (Note 2).

<sup>(g)</sup> The portfolio turnover rate excludes investments in GMO U.S. Treasury Fund ("USTF") which is used as a short-term investment vehicle for cash management. The Fund's portfolio turnover rate during the years ended February 28, 2018 and February 28, 2017, including transactions in USTF, was 117% and 80%, respectively, of the average value of its portfolio.

† Calculated using average shares outstanding throughout the period.



# GMO Trust Funds

## Financial Highlights

(For a share outstanding throughout each period)

### FOREIGN SMALL COMPANIES FUND

	Class III Shares					Class IV Shares				
	Year Ended February 28/29,					Year Ended February 28/29,				
	2018	2017	2016	2015	2014	2018	2017	2016	2015	2014
<b>Net asset value, beginning of period</b>	\$ 14.41	\$ 12.94	\$ 15.31	\$ 17.29	\$ 14.40	\$ 14.38	\$ 12.91	\$ 15.28	\$ 17.25	\$ 14.37
Income (loss) from investment operations:										
Net investment income (loss) <sup>(a)†</sup>	0.41	0.26	0.26	0.20	0.27	0.43	0.25	0.27	0.21	0.25
Net realized and unrealized gain (loss)	2.93	1.56	(1.86)	(1.34)	3.62	2.92	1.58	(1.86)	(1.34)	3.64
Total from investment operations	3.34	1.82	(1.60)	(1.14)	3.89	3.35	1.83	(1.59)	(1.13)	3.89
Less distributions to shareholders:										
From net investment income	(0.35)	(0.35)	(0.28)	(0.23)	(0.48)	(0.36)	(0.36)	(0.29)	(0.23)	(0.49)
From net realized gains	(3.13)	—	(0.49)	(0.61)	(0.52)	(3.13)	—	(0.49)	(0.61)	(0.52)
Total distributions	(3.48)	(0.35)	(0.77)	(0.84)	(1.00)	(3.49)	(0.36)	(0.78)	(0.84)	(1.01)
<b>Net asset value, end of period</b>	\$ 14.27	\$ 14.41	\$ 12.94	\$ 15.31	\$ 17.29	\$ 14.24	\$ 14.38	\$ 12.91	\$ 15.28	\$ 17.25
<b>Total Return<sup>(b)</sup></b>	23.52%	14.25%	(10.82)%	(6.34)%	27.54%	23.64%	14.34%	(10.80)%	(6.25)%	27.61%
<b>Ratios/Supplemental Data:</b>										
Net assets, end of period (000's)	\$55,169	\$246,852	\$316,303	\$353,778	\$236,393	\$89,764	\$571,129	\$606,665	\$760,850	\$851,384
Net expenses to average daily net assets <sup>(c)</sup>	0.52%	0.86%	0.86%	0.85%	0.86% <sup>(d)</sup>	0.50%	0.81%	0.81%	0.80%	0.81% <sup>(d)</sup>
Net investment income (loss) to average daily net assets <sup>(a)</sup>	2.67%	1.84%	1.73%	1.26%	1.73%	2.81%	1.81%	1.79%	1.32%	1.56%
Portfolio turnover rate	106% <sup>(e)</sup>	49% <sup>(e)</sup>	60%	58%	57%	106% <sup>(e)</sup>	49% <sup>(e)</sup>	60%	58%	57%
Fees and expenses reimbursed and/or waived by GMO to average daily net assets:	0.44%	0.07%	0.07%	0.07%	0.07%	0.39%	0.07%	0.07%	0.07%	0.07%
Purchase premiums and redemption fees consisted of the following per share amounts (Note 2):†	\$ 0.04	\$ 0.02	\$ 0.01	\$ 0.01	\$ 0.00 <sup>(f)</sup>	\$ 0.04	\$ 0.02	\$ 0.01	\$ 0.01	\$ 0.00 <sup>(f)</sup>

<sup>(a)</sup> Net investment income is affected by the timing of the declaration of dividends by the underlying funds in which the Fund invests, if any.

<sup>(b)</sup> The total returns would have been lower had certain expenses not been reimbursed and/or waived during the periods shown, if applicable, and assumes the effect of reinvested distributions, if any. Calculation excludes purchase premiums and redemption fees which are borne by the shareholder purchasing or redeeming Fund shares, if any.

<sup>(c)</sup> Net expenses exclude expenses incurred indirectly through investment in the underlying funds (Note 5).

<sup>(d)</sup> The net expense ratio does not include the effect of expense reductions (Note 2).

<sup>(e)</sup> The portfolio turnover rate excludes investments in GMO U.S. Treasury Fund ("USTF") which is used as a short-term investment vehicle for cash management. The Fund's portfolio turnover rate during the years ended February 28, 2018 and February 28, 2017, including transactions in USTF, was 128% and 51%, respectively, of the average value of its portfolio.

<sup>(f)</sup> Purchase premiums and redemption fees were less than \$0.01 per share.

† Calculated using average shares outstanding throughout the period.

# GMO Trust Funds

## Financial Highlights

(For a share outstanding throughout each period)

### INTERNATIONAL EQUITY FUND

	Class II Shares					Class III Shares				
	Year Ended February 28/29,					Year Ended February 28/29,				
	2018	2017	2016	2015	2014	2018	2017	2016	2015	2014
<b>Net asset value, beginning of period</b>	\$ 20.18	\$ 18.17	\$ 23.43	\$ 26.16	\$ 20.94	\$ 20.41	\$ 18.38	\$ 23.70	\$ 26.44	\$ 21.16
Income (loss) from investment operations:										
Net investment income (loss) <sup>(a)†</sup>	0.41	0.70	0.57	0.66	0.80	0.61	0.63	0.59	0.69	0.86
Net realized and unrealized gain (loss)	3.78	2.07	(5.19)	(1.42)	4.88	3.64	2.19	(5.25)	(1.45)	4.90
Total from investment operations	4.19	2.77	(4.62)	(0.76)	5.68	4.25	2.82	(4.66)	(0.76)	5.76
Less distributions to shareholders:										
From net investment income	(0.74)	(0.76)	(0.64)	(1.07)	(0.46)	(0.74)	(0.79)	(0.66)	(1.08)	(0.48)
From net realized gains	—	—	—	(0.90)	—	—	—	—	(0.90)	—
Total distributions	(0.74)	(0.76)	(0.64)	(1.97)	(0.46)	(0.74)	(0.79)	(0.66)	(1.98)	(0.48)
<b>Net asset value, end of period</b>	\$ 23.63	\$ 20.18	\$ 18.17	\$ 23.43	\$ 26.16	\$ 23.92	\$ 20.41	\$ 18.38	\$ 23.70	\$ 26.44
<b>Total Return<sup>(b)</sup></b>	20.85%	15.45%	(19.99)%	(2.55)%	27.41%	20.96%	15.53%	(19.95)%	(2.50)%	27.53%
<b>Ratios/Supplemental Data:</b>										
Net assets, end of period (000's)	\$23,736	\$10,302	\$81,206	\$118,737	\$139,401	\$485,782	\$731,060	\$1,043,305	\$1,523,128	\$1,555,509
Net expenses to average daily net assets <sup>(c)</sup>	0.72%	0.72%	0.72%	0.72%	0.72% <sup>(d)</sup>	0.65%	0.65%	0.65%	0.65%	0.65% <sup>(d)</sup>
Net investment income (loss) to average daily net assets <sup>(a)</sup>	1.77%	3.62%	2.65%	2.63%	3.47%	2.68%	3.16%	2.70%	2.73%	3.62%
Portfolio turnover rate	45% <sup>(e)</sup>	27% <sup>(e)</sup>	75%	70%	48%	45% <sup>(e)</sup>	27% <sup>(e)</sup>	75%	70%	48%
Fees and expenses reimbursed and/or waived by GMO to average daily net assets:	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%

	Class IV Shares				
	Year Ended February 28/29,				
	2018	2017	2016	2015	2014
<b>Net asset value, beginning of period</b>	\$ 20.38	\$ 18.36	\$ 23.66	\$ 26.41	\$ 21.14
Income (loss) from investment operations:					
Net investment income (loss) <sup>(a)†</sup>	0.56	0.63	0.62	0.67	0.89
Net realized and unrealized gain (loss)	3.69	2.19	(5.25)	(1.42)	4.88
Total from investment operations	4.25	2.82	(4.63)	(0.75)	5.77
Less distributions to shareholders:					
From net investment income	(0.76)	(0.80)	(0.67)	(1.10)	(0.50)
From net realized gains	—	—	—	(0.90)	—
Total distributions	(0.76)	(0.80)	(0.67)	(2.00)	(0.50)
<b>Net asset value, end of period</b>	\$ 23.87	\$ 20.38	\$ 18.36	\$ 23.66	\$ 26.41
<b>Total Return<sup>(b)</sup></b>	20.98%	15.57%	(19.85)%	(2.47)%	27.60%
<b>Ratios/Supplemental Data:</b>					
Net assets, end of period (000's)	\$4,558,167	\$5,072,024	\$7,051,400	\$11,374,017	\$11,926,293
Net expenses to average daily net assets <sup>(c)</sup>	0.59%	0.59%	0.59%	0.59%	0.59% <sup>(d)</sup>
Net investment income (loss) to average daily net assets <sup>(a)</sup>	2.45%	3.19%	2.80%	2.66%	3.74%
Portfolio turnover rate	45% <sup>(e)</sup>	27% <sup>(e)</sup>	75%	70%	48%
Fees and expenses reimbursed and/or waived by GMO to average daily net assets:	0.04%	0.04%	0.04%	0.04%	0.04%

- (a) Net investment income is affected by the timing of the declaration of dividends by the underlying funds in which the Fund invests, if any.
- (b) The total returns would have been lower had certain expenses not been reimbursed and/or waived during the periods shown, if applicable, and assumes the effect of reinvested distributions, if any. Calculation excludes purchase premiums and redemption fees which are borne by the shareholder purchasing or redeeming Fund shares, if any.
- (c) Net expenses exclude expenses incurred indirectly through investment in the underlying funds (Note 5).
- (d) The net expense ratio does not include the effect of expense reductions (Note 2).
- (e) The portfolio turnover rate excludes investments in GMO U.S. Treasury Fund ("USTF") which is used as a short-term investment vehicle for cash management. The Fund's portfolio turnover rate during the years ended February 28, 2018 and February 28, 2017, including transactions in USTF, was 61% and 50%, respectively, of the average value of its portfolio.
- † Calculated using average shares outstanding throughout the period.

# GMO Trust Funds

## Financial Highlights

(For a share outstanding throughout each period)

### INTERNATIONAL LARGE/MID CAP EQUITY FUND

	Class III Shares					Class IV Shares				
	Year Ended February 28/29,					Year Ended February 28/29,				
	2018	2017	2016	2015	2014	2018	2017	2016	2015	2014
<b>Net asset value, beginning of period</b>	\$ 25.44	\$ 23.46	\$ 30.16	\$ 35.20	\$ 28.96	\$25.40	\$ 23.44	\$ 30.14	\$ 35.18	\$ 28.94
Income (loss) from investment operations:										
Net investment income (loss) <sup>(a)†</sup>	1.01	0.96	0.81	0.92	1.18	0.84	1.04	0.87	0.96	1.17
Net realized and unrealized gain (loss)	4.06	2.40	(6.71)	(2.19)	6.56	4.23	2.34	(6.75)	(2.21)	6.60
Total from investment operations	5.07	3.36	(5.90)	(1.27)	7.74	5.07	3.38	(5.88)	(1.25)	7.77
Less distributions to shareholders:										
From net investment income	(0.90)	(1.38)	(0.80)	(1.46)	(1.50)	(0.92)	(1.42)	(0.82)	(1.48)	(1.53)
From net realized gains	(3.28)	—	—	(2.31)	—	(3.28)	—	—	(2.31)	—
Total distributions	(4.18)	(1.38)	(0.80)	(3.77)	(1.50)	(4.20)	(1.42)	(0.82)	(3.79)	(1.53)
<b>Net asset value, end of period</b>	\$ 26.33	\$ 25.44	\$ 23.46	\$ 30.16	\$ 35.20	\$26.27	\$ 25.40	\$ 23.44	\$ 30.14	\$ 35.18
<b>Total Return<sup>(b)</sup></b>	20.64%	14.70%	(19.82)%	(3.33)%	27.30%	20.69%	14.79%	(19.78)%	(3.28)%	27.40%
<b>Ratios/Supplemental Data:</b>										
Net assets, end of period (000's)	\$81,119	\$39,141	\$459,614	\$592,365	\$598,840	\$ 776	\$146,112	\$641,750	\$1,346,483	\$1,262,615
Net expenses to average daily net assets <sup>(c)</sup>	0.60%	0.54%	0.53%	0.53%	0.53% <sup>(d)</sup>	0.60%	0.48%	0.47%	0.47%	0.47% <sup>(d)</sup>
Net investment income (loss) to average daily net assets <sup>(a)</sup>	3.81%	3.84%	2.90%	2.80%	3.70%	3.12%	4.14%	3.08%	2.91%	3.69%
Portfolio turnover rate	47% <sup>(e)</sup>	26% <sup>(e)</sup>	88%	82%	54%	47% <sup>(e)</sup>	26% <sup>(e)</sup>	88%	82%	54%
Fees and expenses reimbursed and/or waived by GMO to average daily net assets:	0.28%	0.08%	0.06%	0.07%	0.06%	0.27%	0.08%	0.06%	0.07%	0.06%

<sup>(a)</sup> Net investment income is affected by the timing of the declaration of dividends by the underlying funds in which the Fund invests, if any.

<sup>(b)</sup> The total returns would have been lower had certain expenses not been reimbursed and/or waived during the periods shown, if applicable, and assumes the effect of reinvested distributions, if any. Calculation excludes purchase premiums and redemption fees which are borne by the shareholder purchasing or redeeming Fund shares, if any.

<sup>(c)</sup> Net expenses exclude expenses incurred indirectly through investment in the underlying funds, if any (Note 5).

<sup>(d)</sup> The net expense ratio does not include the effect of expense reductions (Note 2).

<sup>(e)</sup> The portfolio turnover rate excludes investments in GMO U.S. Treasury Fund ("USTF") which is used as a short-term investment vehicle for cash management. The Fund's portfolio turnover rate during the years ended February 28, 2018 and February 28, 2017, including transactions in USTF, was 128% and 51%, respectively, of the average value of its portfolio.

† Calculated using average shares outstanding throughout the period.

# GMO Trust Funds

## Financial Highlights

(For a share outstanding throughout each period)

### QUALITY FUND

	Class III Shares					Class IV Shares				
	Year Ended February 28/29,					Year Ended February 28/29,				
	2018	2017	2016	2015	2014	2018	2017	2016	2015	2014
<b>Net asset value, beginning of period</b>	\$ 22.05	\$ 18.99	\$ 22.98	\$ 25.08	\$ 23.81	\$ 22.08	\$ 19.01	\$ 23.01	\$ 25.10	\$ 23.83
Income (loss) from investment operations:										
Net investment income (loss) <sup>(a)†</sup>	0.36	0.35	0.38	0.42	0.51	0.37	0.36	0.39	0.43	0.53
Net realized and unrealized gain (loss)	4.70	3.44	(1.04)	2.91	3.70	4.70	3.45	(1.05)	2.92	3.70
Total from investment operations	5.06	3.79	(0.66)	3.33	4.21	5.07	3.81	(0.66)	3.35	4.23
Less distributions to shareholders:										
From net investment income	(0.41)	(0.35)	(0.42)	(0.49)	(0.53)	(0.41)	(0.36)	(0.43)	(0.50)	(0.55)
From net realized gains	(1.57)	(0.38)	(2.91)	(4.94)	(2.41)	(1.57)	(0.38)	(2.91)	(4.94)	(2.41)
Total distributions	(1.98)	(0.73)	(3.33)	(5.43)	(2.94)	(1.98)	(0.74)	(3.34)	(5.44)	(2.96)
<b>Net asset value, end of period</b>	\$ 25.13	\$ 22.05	\$ 18.99	\$ 22.98	\$ 25.08	\$ 25.17	\$ 22.08	\$ 19.01	\$ 23.01	\$ 25.10
<b>Total Return<sup>(b)</sup></b>	23.32%	20.25%	(2.89)%	14.73%	18.38%	23.37%	20.33%	(2.88)%	14.81%	18.43%
<b>Ratios/Supplemental Data:</b>										
Net assets, end of period (000's)	\$3,524,103	\$3,587,627	\$3,968,156	\$5,336,063	\$5,747,512	\$ 957,900	\$1,222,874	\$1,294,033	\$2,201,876	\$2,134,444
Net expenses to average daily net assets <sup>(c)</sup>	0.48%	0.48%	0.48%	0.48%	0.48% <sup>(d)</sup>	0.44%	0.44%	0.44%	0.44%	0.44% <sup>(d)</sup>
Net investment income (loss) to average daily net assets <sup>(a)</sup>	1.48%	1.72%	1.79%	1.71%	2.04%	1.53%	1.76%	1.83%	1.77%	2.07%
Portfolio turnover rate	10% <sup>(e)</sup>	29% <sup>(e)</sup>	37%	60%	48%	10% <sup>(e)</sup>	29% <sup>(e)</sup>	37%	60%	48%
Fees and expenses reimbursed and/or waived by GMO to average daily net assets:	0.02%	0.02%	0.02%	0.02%	0.01%	0.02%	0.02%	0.02%	0.02%	0.01%
	Class V Shares					Class VI Shares				
	Year Ended February 28/29,					Year Ended February 28/29,				
	2018	2017	2016	2015	2014	2018	2017	2016	2015	2014
<b>Net asset value, beginning of period</b>	\$ 22.08	\$ 19.01	\$ 23.01	\$ 25.10	\$ 23.82	\$ 22.05	\$ 18.99	\$ 22.99	\$ 25.09	\$ 23.82
Income (loss) from investment operations:										
Net investment income (loss) <sup>(a)†</sup>	0.41	0.36	0.39	0.44	0.56	0.38	0.36	0.40	0.45	0.54
Net realized and unrealized gain (loss)	4.66	3.46	(1.05)	2.92	3.68	4.70	3.46	(1.04)	2.90	3.70
Total from investment operations	5.07	3.82	(0.66)	3.36	4.24	5.08	3.82	(0.64)	3.35	4.24
Less distributions to shareholders:										
From net investment income	(0.41)	(0.37)	(0.43)	(0.51)	(0.55)	(0.43)	(0.38)	(0.45)	(0.51)	(0.56)
From net realized gains	(1.57)	(0.38)	(2.91)	(4.94)	(2.41)	(1.57)	(0.38)	(2.91)	(4.94)	(2.41)
Total distributions	(1.98)	(0.75)	(3.34)	(5.45)	(2.96)	(2.00)	(0.76)	(3.36)	(5.45)	(2.97)
<b>Net asset value, end of period</b>	\$ 25.17	\$ 22.08	\$ 19.01	\$ 23.01	\$ 25.10	\$ 25.13	\$ 22.05	\$ 18.99	\$ 22.99	\$ 25.09
<b>Total Return<sup>(b)</sup></b>	23.38%	20.39%	(2.89)%	14.86%	18.49%	23.43%	20.39%	(2.83)%	14.83%	18.50%
<b>Ratios/Supplemental Data:</b>										
Net assets, end of period (000's)	\$ 156,086	\$ 462,677	\$ 277,186	\$ 267,809	\$ 653,307	\$3,561,976	\$3,359,025	\$1,732,420	\$2,496,930	\$3,675,950
Net expenses to average daily net assets <sup>(c)</sup>	0.42%	0.42%	0.42%	0.42%	0.42% <sup>(d)</sup>	0.39%	0.39%	0.39%	0.39%	0.39% <sup>(d)</sup>
Net investment income (loss) to average daily net assets <sup>(a)</sup>	1.74%	1.72%	1.85%	1.81%	2.22%	1.57%	1.73%	1.88%	1.83%	2.13%
Portfolio turnover rate	10% <sup>(e)</sup>	29% <sup>(e)</sup>	37%	60%	48%	10% <sup>(e)</sup>	29% <sup>(e)</sup>	37%	60%	48%
Fees and expenses reimbursed and/or waived by GMO to average daily net assets:	0.02%	0.02%	0.02%	0.02%	0.01%	0.02%	0.02%	0.02%	0.02%	0.01%

<sup>(a)</sup> Net investment income is affected by the timing of the declaration of dividends by the underlying funds in which the Fund invests, if any.

<sup>(b)</sup> The total returns would have been lower had certain expenses not been reimbursed and/or waived during the periods shown, if applicable, and assumes the effect of reinvested distributions, if any. Calculation excludes purchase premiums and redemption fees which are borne by the shareholder purchasing or redeeming Fund shares, if any.

<sup>(c)</sup> Net expenses exclude expenses incurred indirectly through investment in the underlying funds (Note 5).

<sup>(d)</sup> The net expense ratio does not include the effect of expense reductions (Note 2).

<sup>(e)</sup> The portfolio turnover rate excludes investments in GMO U.S. Treasury Fund ("USTF") which is used as a short-term investment vehicle for cash management. The Fund's portfolio turnover rate during the years ended February 28, 2018 and February 28, 2017, including transactions in USTF, was 23% and 48%, respectively, of the average value of its portfolio.

† Calculated using average shares outstanding throughout the period.

# GMO Trust Funds

## Financial Highlights

(For a share outstanding throughout each period)

### RESOURCES FUND

	Class III Shares					Class IV Shares				
	Year Ended February 28/29,					Year Ended February 28/29,				
	2018	2017	2016	2015	2014	2018	2017	2016	2015	2014 <sup>(a)</sup>
<b>Net asset value, beginning of period</b>	\$ 17.31	\$ 11.74	\$ 16.33	\$ 21.88	\$ 21.59	\$ 17.25	\$ 11.71	\$ 16.28	\$ 21.86	\$ 21.40
Income (loss) from investment operations:										
Net investment income (loss) <sup>(b)†</sup>	0.33	0.30	0.47	0.87	0.51	0.38	0.34	0.46	0.75	0.45
Net realized and unrealized gain (loss)	4.02	5.75	(4.67)	(3.77)	0.45	3.97	5.68	(4.63)	(3.65)	0.70
Total from investment operations	4.35	6.05	(4.20)	(2.90)	0.96	4.35	6.02	(4.17)	(2.90)	1.15
Less distributions to shareholders:										
From net investment income	(0.78)	(0.48)	(0.39)	(1.03)	(0.40)	(0.79)	(0.48)	(0.40)	(1.06)	(0.42)
From net realized gains	—	—	—	(1.62)	(0.27)	—	—	—	(1.62)	(0.27)
Total distributions	(0.78)	(0.48)	(0.39)	(2.65)	(0.67)	(0.79)	(0.48)	(0.40)	(2.68)	(0.69)
<b>Net asset value, end of period</b>	\$ 20.88	\$ 17.31	\$ 11.74	\$ 16.33	\$ 21.88	\$ 20.81	\$ 17.25	\$ 11.71	\$ 16.28	\$ 21.86
<b>Total Return<sup>(c)</sup></b>	26.00%	51.75%	(25.76)%	(12.81)%	4.54%	26.12%	51.72%	(25.68)%	(12.82)%	5.48%**
<b>Ratios/Supplemental Data:</b>										
Net assets, end of period (000's)	\$54,037	\$22,562	\$13,864	\$23,734	\$81,646	\$296,196	\$190,260	\$170,919	\$119,308	\$138,358
Net expenses to average daily net assets <sup>(d)</sup>	0.76%	0.77%	0.77%	0.76%	0.75% <sup>(e)</sup>	0.71%	0.72%	0.72%	0.71%	0.70%* <sup>(e)</sup>
Net investment income (loss) to average daily net assets <sup>(b)</sup>	1.77%	1.99%	3.36%	4.01%	2.36%	2.04%	2.26%	3.31%	3.58%	2.23%*
Portfolio turnover rate	48% <sup>(f)</sup>	29% <sup>(f)</sup>	130%	126%	40%	48% <sup>(f)</sup>	29% <sup>(f)</sup>	130%	126%	40%
Fees and expenses reimbursed and/or waived by GMO to average daily net assets:	0.06% <sup>(e)</sup>	0.10%	0.10%	0.08%	0.10%	0.06% <sup>(e)</sup>	0.10%	0.11%	0.09%	0.11%*
Purchase premiums and redemption fees consisted of the following per share amounts (Note 2):†	\$ 0.05	\$ 0.02	\$ 0.03	\$ 0.07	\$ 0.06	\$ 0.04	\$ 0.02	\$ 0.02	\$ 0.03	\$ 0.03

<sup>(a)</sup> Period from March 20, 2013 (commencement of operations) through February 28, 2014.

<sup>(b)</sup> Net investment income is affected by the timing of the declaration of dividends by the underlying funds in which the Fund invests, if any.

<sup>(c)</sup> The total returns would have been lower had certain expenses not been reimbursed and/or waived during the periods shown, if applicable, and assumes the effect of reinvested distributions, if any. Calculation excludes purchase premiums and redemption fees which are borne by the shareholder purchasing or redeeming Fund shares, if any.

<sup>(d)</sup> Net expenses exclude expenses incurred indirectly through investment in the underlying funds (Note 5).

<sup>(e)</sup> Includes recoupment of past reimbursed and/or waived fees (Note 5).

<sup>(f)</sup> The portfolio turnover rate excludes investments in GMO U.S. Treasury Fund ("USTF") which is used as a short-term investment vehicle for cash management. The Fund's portfolio turnover rate during the years ended February 28, 2018 and February 28, 2017, including transactions in USTF, was 85% and 40%, respectively, of the average value of its portfolio.

† Calculated using average shares outstanding throughout the period.

\* Annualized.

\*\* Not annualized.

# GMO Trust Funds

## Financial Highlights

(For a share outstanding throughout each period)

### RISK PREMIUM FUND

	Class III Shares					Class VI Shares				
	Year Ended February 28/29,					Year Ended February 28/29,				
	2018	2017 <sup>(a)</sup>	2016 <sup>(a)</sup>	2015 <sup>(a)</sup>	2014 <sup>(a)</sup>	2018	2017 <sup>(a)</sup>	2016 <sup>(a)</sup>	2015 <sup>(a)</sup>	2014 <sup>(a)</sup>
<b>Net asset value, beginning of period</b>	\$29.93	\$26.91	\$29.73	\$31.74	\$31.59	\$ 30.07	\$ 27.00	\$ 29.82	\$ 31.80	\$ 31.59
Income (loss) from investment operations:										
Net investment income (loss) <sup>(b)†</sup>	0.10	(0.05)	(0.12)	(0.18)	(0.18)	0.14	(0.02)	(0.12)	(0.15)	(0.15)
Net realized and unrealized gain (loss)	1.78	5.22	(0.30)	1.02	2.13	1.78	5.24	(0.30)	1.02	2.16
Total from investment operations	1.88	5.17	(0.42)	0.84	1.95	1.92	5.22	(0.42)	0.87	2.01
Less distributions to shareholders:										
From net investment income	(0.06)	—	—	—	—	(0.10)	—	—	—	—
From net realized gains	(5.01)	(2.15)	(2.40)	(2.85)	(1.80)	(5.01)	(2.15)	(2.40)	(2.85)	(1.80)
Total distributions	(5.07)	(2.15)	(2.40)	(2.85)	(1.80)	(5.11)	(2.15)	(2.40)	(2.85)	(1.80)
<b>Net asset value, end of period</b>	\$26.74	\$29.93	\$26.91	\$29.73	\$31.74	\$ 26.88	\$ 30.07	\$ 27.00	\$ 29.82	\$ 31.80
<b>Total Return<sup>(c)</sup></b>	6.09%	19.50%	(1.66)%	3.19%	6.42%	6.17%	19.62%	(1.65)%	3.29%	6.61%
<b>Ratios/Supplemental Data:</b>										
Net assets, end of period (000's)	\$3,434	\$5,049	\$6,807	\$4,832	\$7,489	\$142,238	\$155,375	\$223,854	\$432,465	\$730,196
Net expenses to average daily net assets	0.60%	0.61%	0.60%	0.61% <sup>(d)</sup>	0.60% <sup>(d)(e)</sup>	0.51%	0.51%	0.51%	0.51% <sup>(d)</sup>	0.51% <sup>(d)(e)</sup>
Net investment income (loss) to average daily net assets <sup>(b)</sup>	0.34%	(0.16)%	(0.45)%	(0.58)%	(0.57)%	0.47%	(0.07)%	(0.37)%	(0.49)%	(0.48)%
Portfolio turnover rate	0%	0%	0%	112%	0%	0%	0%	0%	112%	0%
Fees and expenses reimbursed and/or waived by GMO to average daily net assets:	0.08%	0.06%	0.05%	0.04%	0.05%	0.08%	0.06%	0.05%	0.03%	0.05%
Purchase premiums and redemption fees consisted of the following per share amounts (Note 2):†	\$ 0.01	\$ 0.02 <sup>(a)</sup>	\$ 0.08 <sup>(a)</sup>	\$ 0.14 <sup>(a)</sup>	\$ 0.01 <sup>(a)</sup>	\$ 0.01	\$ 0.02 <sup>(a)</sup>	\$ 0.07 <sup>(a)</sup>	\$ 0.13 <sup>(a)</sup>	\$ 0.01 <sup>(a)</sup>

<sup>(a)</sup> Per share amounts were adjusted to reflect a 1:3 reverse stock split effective July 15, 2016.

<sup>(b)</sup> Net investment income is affected by the timing of the declaration of dividends by the underlying funds in which the Fund invests, if any.

<sup>(c)</sup> The total returns would have been lower had certain expenses not been reimbursed and/or waived during the periods shown, if applicable, and assumes the effect of reinvested distributions, if any. Calculation excludes purchase premiums and redemption fees which are borne by the shareholder purchasing or redeeming Fund shares, if any.

<sup>(d)</sup> Net expenses exclude expenses incurred indirectly through investment in the underlying funds (Note 5).

<sup>(e)</sup> The net expense ratio does not include the effect of expense reductions (Note 2).

† Calculated using average shares outstanding throughout the period.

# GMO Trust Funds

## Financial Highlights

(For a share outstanding throughout each period)

### TAX-MANAGED INTERNATIONAL EQUITIES FUND

	Class III Shares				
	Year Ended February 28/29,				
	2018	2017	2016	2015	2014
<b>Net asset value, beginning of period</b>	\$ 14.28	\$ 12.92	\$ 16.80	\$ 18.03	\$ 14.56
Income (loss) from investment operations:					
Net investment income (loss) <sup>†(a)</sup>	0.38	0.41	0.40	0.47	0.57
Net realized and unrealized gain (loss)	2.84	1.50	(3.82)	(1.05)	3.37
Total from investment operations	3.22	1.91	(3.42)	(0.58)	3.94
Less distributions to shareholders:					
From net investment income	(0.50)	(0.55)	(0.46)	(0.65)	(0.47)
Total distributions	(0.50)	(0.55)	(0.46)	(0.65)	(0.47)
<b>Net asset value, end of period</b>	\$ 17.00	\$ 14.28	\$ 12.92	\$ 16.80	\$ 18.03
<b>Total Return<sup>(b)</sup></b>	22.70%	15.05%	(20.63)%	(3.10)%	27.37%
<b>Ratios/Supplemental Data:</b>					
Net assets, end of period (000's)	\$68,782	\$115,733	\$215,977	\$427,048	\$485,665
Net expenses to average daily net assets <sup>(c)</sup>	0.70%	0.68%	0.66%	0.66%	0.66%
Net investment income (loss) to average daily net assets <sup>(a)</sup>	2.35%	2.95%	2.59%	2.71%	3.54%
Portfolio turnover rate	43% <sup>(d)</sup>	47% <sup>(d)</sup>	79%	69%	49%
Fees and expenses reimbursed and/or waived by GMO to average daily net assets:	0.34%	0.23%	0.14%	0.12%	0.10%

<sup>(a)</sup> Net investment income is affected by the timing of the declaration of dividends by the underlying funds in which the Fund invests, if any.

<sup>(b)</sup> The total returns would have been lower had certain expenses not been reimbursed and/or waived during the periods shown, if applicable, and assumes the effect of reinvested distributions, if any. Calculation excludes purchase premiums and redemption fees which are borne by the shareholder purchasing or redeeming Fund shares, if any.

<sup>(c)</sup> Net expenses exclude expenses incurred indirectly through investment in the underlying funds (Note 5).

<sup>(d)</sup> The portfolio turnover rate excludes investments in GMO U.S. Treasury Fund ("USTF") which is used as a short-term investment vehicle for cash management. The Fund's portfolio turnover rate during the years ended February 28, 2018 and February 28, 2017, including transactions in USTF, was 80% and 54%, respectively, of the average value of its portfolio.

† Calculated using average shares outstanding throughout the period.

# GMO Trust Funds

## Financial Highlights

(For a share outstanding throughout each period)

### U.S. EQUITY ALLOCATION FUND

	Class III Shares					Class IV Shares				
	Year Ended February 28/29,					Year Ended February 28/29,				
	2018	2017	2016	2015	2014	2018	2017	2016	2015	2014
<b>Net asset value, beginning of period</b>	\$ 15.14	\$ 13.79	\$ 16.61	\$ 17.27	\$ 14.51	\$ 15.16	\$ 13.76	\$ 16.58	\$ 17.24	\$ 14.48
Income (loss) from investment operations:										
Net investment income (loss) <sup>(a)†</sup>	0.27	0.27	0.24	0.28	0.28	0.30	0.25	0.25	0.29	0.29
Net realized and unrealized gain (loss)	1.73	2.89	(1.20)	1.66	2.77	1.70	2.92	(1.20)	1.66	2.77
Total from investment operations	2.00	3.16	(0.96)	1.94	3.05	2.00	3.17	(0.95)	1.95	3.06
Less distributions to shareholders:										
From net investment income	(0.28)	(0.34)	(0.26)	(0.31)	(0.29)	(0.29)	(0.30)	(0.27)	(0.32)	(0.30)
From net realized gains	(1.45)	(1.47)	(1.60)	(2.29)	—	(1.45)	(1.47)	(1.60)	(2.29)	—
Total distributions	(1.73)	(1.81)	(1.86)	(2.60)	(0.29)	(1.74)	(1.77)	(1.87)	(2.61)	(0.30)
<b>Net asset value, end of period</b>	\$ 15.41	\$ 15.14	\$ 13.79	\$ 16.61	\$ 17.27	\$ 15.42	\$ 15.16	\$ 13.76	\$ 16.58	\$ 17.24
<b>Total Return<sup>(b)</sup></b>	13.76%	23.59%	(6.17)%	12.18%	21.11%	13.74%	23.69%	(6.10)%	12.27%	21.21%
<b>Ratios/Supplemental Data:</b>										
Net assets, end of period (000's)	\$77,297	\$109,726	\$194,615	\$286,934	\$488,982	\$ 36,025	\$ 16,707	\$ 513,751	\$ 431,841	\$ 288,782
Net expenses to average daily net assets <sup>(c)</sup>	0.46%	0.46%	0.46%	0.46%	0.46% <sup>(d)</sup>	0.41%	0.41%	0.41%	0.41%	0.41% <sup>(d)</sup>
Net investment income (loss) to average daily net assets <sup>(a)</sup>	1.78%	1.80%	1.57%	1.59%	1.71%	1.94%	1.73%	1.65%	1.63%	1.75%
Portfolio turnover rate	79% <sup>(e)</sup>	66% <sup>(e)</sup>	89%	67%	74%	79% <sup>(e)</sup>	66% <sup>(e)</sup>	89%	67%	74%
Fees and expenses reimbursed and/or waived by GMO to average daily net assets:	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%
	Class V Shares				Class VI Shares					
	Year Ended February 28,	Period from August 9, 2016 through February 28,	Period from March 1, 2014 through July 30,	Period from January 21, 2014 (commencement of operations) through February 28,	Year Ended February 28/29,					
		2018	2017	2014 <sup>(f)</sup>	2014	2018	2017	2016	2015	2014
<b>Net asset value, beginning of period</b>	\$ 15.09	\$ 14.95	\$ 17.24	\$ 17.17	\$ 15.06	\$ 13.73	\$ 16.54	\$ 17.21	\$ 14.47	
Income (loss) from investment operations:										
Net investment income (loss) <sup>(a)†</sup>	0.29	0.16	0.12	0.04	0.29	0.27	0.26	0.30	0.30	
Net realized and unrealized gain (loss)	1.71	1.50	0.90	0.03	1.71	2.89	(1.19)	1.65	2.74	
Total from investment operations	2.00	1.66	1.02	0.07	2.00	3.16	(0.93)	1.95	3.04	
Less distributions to shareholders:										
From net investment income	(0.29)	(0.19)	(0.04)	—	(0.30)	(0.36)	(0.28)	(0.33)	(0.30)	
From net realized gains	(1.45)	(1.33)	(0.43)	—	(1.45)	(1.47)	(1.60)	(2.29)	—	
Total distributions	(1.74)	(1.52)	(0.47)	—	(1.75)	(1.83)	(1.88)	(2.62)	(0.30)	
<b>Net asset value, end of period</b>	\$ 15.35	\$ 15.09	\$ 17.79	\$ 17.24	\$ 15.31	\$ 15.06	\$ 13.73	\$ 16.54	\$ 17.21	
<b>Total Return<sup>(b)</sup></b>	13.84%	11.37%**	5.88%**	0.39%**	13.84%	23.68%	(6.02)%	12.28%	21.14%	
<b>Ratios/Supplemental Data:</b>										
Net assets, end of period (000's)	\$60,386	\$164,652	\$220,333	\$259,581	\$1,200,008	\$1,469,935	\$3,838,628	\$6,031,361	\$7,082,304	
Net expenses to average daily net assets <sup>(c)</sup>	0.40%	0.40%*	0.40%*	0.40% <sup>(d)</sup>	0.37%	0.37%	0.37%	0.37%	0.37% <sup>(d)</sup>	
Net investment income (loss) to average daily net assets <sup>(a)</sup>	1.88%	1.93%*	1.69%*	1.97%*	1.88%	1.87%	1.68%	1.70%	1.85%	
Portfolio turnover rate	79% <sup>(e)</sup>	66% <sup>(e)(g)</sup>	34% <sup>(e)(g)</sup>	74%**	79% <sup>(e)</sup>	66% <sup>(e)</sup>	89%	67%	74%	
Fees and expenses reimbursed and/or waived by GMO to average daily net assets:	0.02%	0.02%*	0.02%*	0.01%*	0.02%	0.02%	0.02%	0.02%	0.02%	

(a) Net investment income is affected by the timing of the declaration of dividends by the underlying funds in which the Fund invests, if any.

(b) The total returns would have been lower had certain expenses not been reimbursed and/or waived during the periods shown, if applicable, and assumes the effect of reinvested distributions, if any. Calculation excludes purchase premiums and redemption fees which are borne by the shareholder purchasing or redeeming Fund shares, if any.

(c) Net expenses exclude expenses incurred indirectly through investment in the underlying funds (Note 5).

(d) The net expense ratio does not include the effect of expense reductions (Note 2).

(e) The portfolio turnover rate excludes investments in GMO U.S. Treasury Fund ("USTF") which is used as a short-term investment vehicle for cash management. The Fund's portfolio turnover rate during the years ended February 28, 2018 and February 28, 2017, including transactions in USTF, was 100% and 91%, respectively, of the average value of its portfolio.

(f) The class was inactive from July 31, 2014 to August 8, 2016.

(g) Calculation represents portfolio turnover of the fund for the period ended July 30, 2014.

† Calculated using average shares outstanding throughout the period.

\* Annualized.

\*\* Not annualized.



# GMO Trust Funds

## Notes to Financial Statements February 28, 2018

### 1. Organization

Each of Climate Change Fund (commenced operations on April 5, 2017), Emerging Domestic Opportunities Fund, Emerging Markets Fund, Foreign Small Companies Fund, International Equity Fund, International Large/Mid Cap Equity Fund, Quality Fund, Resources Fund, Risk Premium Fund, Tax-Managed International Equities Fund and U.S. Equity Allocation Fund (each a “Fund” and collectively the “Funds”) is a series of GMO Trust (the “Trust”). The Trust is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company. The Trust was established as a Massachusetts business trust under the laws of The Commonwealth of Massachusetts on June 24, 1985. The Declaration of Trust permits the Trustees of the Trust (“Trustees”) to create an unlimited number of series of shares (Funds) and to subdivide Funds into classes. The Funds are advised and managed by Grantham, Mayo, Van Otterloo & Co. LLC (“GMO”).

The Funds may invest in GMO U.S. Treasury Fund and in money market funds unaffiliated with GMO. The Funds may also invest in other GMO Funds (“underlying funds”). The financial statements of the underlying funds should be read in conjunction with the Funds’ financial statements. The financial statements are available without charge on the Securities and Exchange Commission’s (“SEC”) website at [www.sec.gov](http://www.sec.gov) or on GMO’s website at [www.gmo.com](http://www.gmo.com).

The following table provides information about the Funds’ principal investment objectives and benchmarks (if any):

Fund Name	Benchmark	Investment Objective
Climate Change Fund	Not Applicable	High total return
Emerging Domestic Opportunities Fund	Not Applicable	Total Return
Emerging Markets Fund	S&P/IFCI Composite Index	Total return in excess of benchmark
Foreign Small Companies Fund	S&P Developed ex-U.S. Small Cap Index	Total return in excess of benchmark
International Equity Fund	Not Applicable	High total return
International Large/Mid Cap Equity Fund	Not Applicable	High total return
Quality Fund	Not Applicable	Total return
Resources Fund	Not Applicable	Total return
Risk Premium Fund	Not Applicable	Total return
Tax-Managed International Equities Fund	Not Applicable	High after-tax total return
U.S. Equity Allocation Fund	Not Applicable	High total return

International Large/Mid Cap Equity Fund currently limits subscriptions.

### 2. Significant accounting policies

The following is a summary of significant accounting policies followed by each Fund in the preparation of its financial statements. These policies are in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”) and have been consistently followed by the Funds in preparing these financial statements. The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates. The accounting records of the Funds are maintained in U.S. dollars.

#### Portfolio valuation

Exchange-traded securities (other than exchange-traded options) for which market quotations are readily available are valued at (i) the last sale price or (ii) official closing price or (iii) most recent quoted price published by the exchange (if no reported last sale or official closing price) or (iv) the quoted price provided by a pricing source (in the event GMO deems the private market to be a more reliable indicator of market value than the exchange). Exchange-traded options are valued at the last sale price, provided that price is between the closing bid and ask prices. If the last sale price is not within this range, then they will be valued at the closing bid price for long positions and the closing ask price for short positions. Cleared derivatives are valued using the price quoted (which may be based on a model) by the relevant clearing house. If an updated quote for a cleared derivative is not available by the time that a Fund calculates its net asset value on any business day, then that derivative will generally be valued using an industry standard model,

## GMO Trust Funds

### Notes to Financial Statements — (Continued)

February 28, 2018

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which may differ from the model used by the relevant clearing house. Over-the-counter (“OTC”) derivatives are generally valued at the price determined by an industry standard model. Unlisted securities for which market quotations are readily available are generally valued at the most recent quoted price. Shares of the underlying funds and other open-end registered investment companies are valued at their most recent net asset value. If quotations are not readily available or circumstances make an existing valuation methodology or procedure unreliable, derivatives and other securities are valued at fair value as determined in good faith by the Trustees or persons acting at their direction pursuant to procedures approved by the Trustees. Because of the uncertainty inherent in pricing, and in particular fair value pricing, the value determined for a particular security may be materially different from the value realized upon its sale. See the table below for information about securities and derivatives, if any, that were fair valued using methods determined in good faith by or at the direction of the Trustees. The Funds and/or the underlying funds classify such securities as Level 3 (levels defined below). For the year ended February 28, 2018, the Funds did not reduce the value of any of their OTC derivatives contracts, if any, based on the creditworthiness of their counterparties. See Note 4 “Derivative financial instruments” for a further discussion on valuation of derivatives.

The foregoing valuation methodologies are modified for equities that trade in non-U.S. securities markets which close prior to the close of the New York Stock Exchange (“NYSE”) due to time zone differences, including the value of equities that underlie futures, options and other derivatives (to the extent the market for those derivatives closes prior to the close of the NYSE). In those cases, the price will generally be adjusted, to the extent practicable and available, based on inputs from an independent pricing service approved by the Trustees that are intended to reflect valuation changes through the NYSE close. The table below shows the percentage of the net assets of the Funds, held either directly or through investments in the underlying funds, if any, that were valued using fair value inputs obtained from that independent pricing service as of February 28, 2018. These securities listed on foreign exchanges (including the value of equity securities that underlie futures, options and other derivatives (to the extent the market for such instruments closes prior to the close of the NYSE)) are classified as Level 2 (levels defined below) in the table below.

“Quoted price” typically means the bid price for securities held long and the ask price for securities sold short. If a market quotation for a security does not involve a bid or an ask, the “quoted price” may be the price provided by a market participant or other third-party pricing source in accordance with the market practice for that security. If an updated quoted price for a security is not available by the time that a Fund calculates its net asset value on any business day, the Fund will generally use the last quoted price so long as GMO believes that the last quoted price continues to represent that security’s fair value.

In the case of derivatives, prices determined by a model may reflect an estimate of the average of bid and ask prices, regardless of whether a Fund has a long position or a short position.

As discussed above, certain of the Funds and underlying funds invest in securities and/or derivatives which may have been fair valued using methods determined in good faith by or at the direction of the Trustees or fair valued using inputs obtained from an independent pricing service. The table below presents securities and/or derivatives on a net basis, based on market values or unrealized appreciation/(depreciation), which will tend to understate the Funds’ exposure. The net aggregate direct and indirect exposure to these valuation methodologies (based on each Fund’s net assets) as of February 28, 2018 is as follows:

## GMO Trust Funds

Notes to Financial Statements — (Continued)  
February 28, 2018

### Securities and derivatives

Fund Name	Fair valued using methods determined in good faith by or at the direction of the Trustees	Fair valued using inputs obtained from an independent pricing service (Net)
Climate Change Fund	—	67%
Emerging Domestic Opportunities Fund	—	65%
Emerging Markets Fund	< 1%	87%
Foreign Small Companies Fund	—	92%
International Equity Fund	0%§	94%
International Large/Mid Cap Equity Fund	0%§	95%
Quality Fund	—	12%
Resources Fund	< 1%	78%
Risk Premium Fund	—	(1)%
Tax-Managed International Equities Fund	0%§	95%
U.S. Equity Allocation Fund	—	—

§ Represents the interest in securities that were determined to have a value of zero at February 28, 2018.

U.S. GAAP requires the Funds to disclose the fair value of their investments in a three-level hierarchy (Levels 1, 2 and 3). The valuation hierarchy is based upon the relative observability of inputs to the valuation of the Funds' investments. The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

Changes in valuation techniques may result in transfers into or out of an investment's assigned level within the fair value hierarchy. In addition, in periods of market dislocation, the observability of prices and inputs may be reduced for many instruments. This condition, as well as changes related to the liquidity of investments, could cause a security to be reclassified between levels.

U.S. GAAP requires additional disclosures about fair value measurements for material Level 3 securities and derivatives, if any (determined by each category of asset or liability as compared to a Fund's total net assets separately identified in the table below). At February 28, 2018, direct material Level 3 classes of investments or derivatives with significant unobservable inputs subject to this additional disclosure are described in the Level 3 securities and derivatives table below.

The three levels are defined as follows:

Level 1 – Valuations based on quoted prices for identical securities in active markets.

The types of assets and liabilities categorized in Level 1 generally include actively traded domestic and certain foreign equity securities; certain U.S. government obligations; derivatives actively traded on a national securities exchange (such as some futures and options); and shares of open-end mutual funds (even if their investments are valued using Level 2 or Level 3 inputs).

Level 2 – Valuations determined using other significant direct or indirect observable inputs.

The types of assets and liabilities categorized in Level 2 generally include cleared derivatives and certain OTC derivatives such as swaps, options, swaptions, and forward currency contracts valued using industry standard models; certain restricted securities valued at the most recent available market or quoted price; certain securities that are valued at the local price and adjusted by applying a premium or discount when the holdings exceed foreign ownership limitations; and certain foreign equity securities that are adjusted based on inputs from an independent pricing service approved by the Trustees, including the value of equity securities that underlie futures, options and other derivatives (to the extent the market for such instruments closes prior to the close of the NYSE) to reflect estimated valuation changes through the NYSE close.

Level 3 – Valuations based primarily on inputs that are unobservable and significant.

## GMO Trust Funds

### Notes to Financial Statements — (Continued) February 28, 2018

The types of assets and liabilities categorized in Level 3 generally include, but are not limited to, securities whose trading has been suspended or that have been de-listed from their current primary trading exchange valued at the most recent available market or quoted price; securities in default or bankruptcy proceedings for which there is no current market quotation valued at the most recent available market or quoted price; third-party investment funds where valuations are provided by fund sponsors and which are adjusted for liquidity considerations as well as the timing of the receipt of information; certain equity securities valued based on the last traded exchange price adjusted for the movement in a relevant index and/or a security type conversion discount; certain securities that are valued using a price from a comparable security related to the same issuer; and certain recently acquired equity securities that have yet to begin trading that are valued at cost.

The following is a summary of the respective levels assigned to the Funds' direct securities and derivatives, if any, as of February 28, 2018:

Description	Level 1	Level 2	Level 3	Total
<b>Climate Change Fund</b>				
<b>Asset Valuation Inputs</b>				
Common Stocks				
Argentina	\$ 319,621	\$ —	\$ —	\$ 319,621
Australia	—	578,166	12,229	590,395
Austria	—	73,452	—	73,452
Canada	696,183	—	—	696,183
Chile	—	155,746	—	155,746
China	34,835	1,831,777	—	1,866,612
Denmark	—	1,072,213	—	1,072,213
France	—	2,391,489	—	2,391,489
Germany	—	1,707,357	—	1,707,357
Israel	—	220,826	—	220,826
Italy	—	536,496	—	536,496
Japan	—	2,794,734	—	2,794,734
Kenya	—	48,454	—	48,454
Malaysia	—	33,373	—	33,373
Netherlands	—	664,024	—	664,024
Norway	—	1,527,683	—	1,527,683
Poland	—	689,951	—	689,951
Portugal	—	301,598	—	301,598
Russia	—	962,838	—	962,838
South Africa	—	31,762	—	31,762
South Korea	—	303,336	—	303,336
Spain	—	718,034	—	718,034
Switzerland	—	227,388	—	227,388
Ukraine	—	201,508	—	201,508
United Kingdom	—	769,913	—	769,913
United States	5,798,649	—	—	5,798,649
<b>TOTAL COMMON STOCKS</b>	<b>6,849,288</b>	<b>17,842,118</b>	<b>12,229</b>	<b>24,703,635</b>
Preferred Stocks				
Brazil	269,985	—	—	269,985
Chile	983,030	—	—	983,030
<b>TOTAL PREFERRED STOCKS</b>	<b>1,253,015</b>	<b>—</b>	<b>—</b>	<b>1,253,015</b>
Mutual Funds				
United States	751,549	—	—	751,549
<b>TOTAL MUTUAL FUNDS</b>	<b>751,549</b>	<b>—</b>	<b>—</b>	<b>751,549</b>
Short-Term Investments				
	47,925	—	—	47,925
<b>Total Investments</b>	<b>8,901,777</b>	<b>17,842,118</b>	<b>12,229</b>	<b>26,756,124</b>
<b>Total</b>	<b>\$ 8,901,777</b>	<b>\$ 17,842,118</b>	<b>\$ 12,229</b>	<b>\$ 26,756,124</b>

# GMO Trust Funds

## Notes to Financial Statements — (Continued) February 28, 2018

Description	Level 1	Level 2	Level 3	Total
<b>Emerging Domestic Opportunities Fund</b>				
<b>Asset Valuation Inputs</b>				
Common Stocks				
Brazil	\$ —	\$ 122,943,748	\$ —	\$ 122,943,748
China	229,960,066	538,582,746	—	768,542,812
Hong Kong	—	79,609,427	—	79,609,427
Hungary	—	21,499,712	—	21,499,712
India	—	209,596,337	27,450,114	237,046,451
Indonesia	—	60,482,156	—	60,482,156
Malaysia	—	13,816,943	—	13,816,943
Peru	21,363,615	—	—	21,363,615
Philippines	—	126,623,945	—	126,623,945
Poland	—	21,949,465	—	21,949,465
Russia	23,581,551	74,160,369	—	97,741,920
South Africa	—	22,854,089	—	22,854,089
Taiwan	—	21,838,133	—	21,838,133
Thailand	—	68,068,388	—	68,068,388
United Kingdom	—	6,925,341	—	6,925,341
Vietnam	—	44,890,180	—	44,890,180
TOTAL COMMON STOCKS	<u>274,905,232</u>	<u>1,433,840,979</u>	<u>27,450,114</u>	<u>1,736,196,325</u>
Preferred Stocks				
Brazil	—	73,072,111	—	73,072,111
TOTAL PREFERRED STOCKS	<u>—</u>	<u>73,072,111</u>	<u>—</u>	<u>73,072,111</u>
Investment Funds				
Brazil	102,716,580	—	—	102,716,580
Taiwan	80,454,923	—	—	80,454,923
Thailand	—	21,564,148	—	21,564,148
United States	140,088,026	—	—	140,088,026
TOTAL INVESTMENT FUNDS	<u>323,259,529</u>	<u>21,564,148</u>	<u>—</u>	<u>344,823,677</u>
Rights/Warrants				
China	—	4,049,338	—	4,049,338
TOTAL RIGHTS/WARRANTS	<u>—</u>	<u>4,049,338</u>	<u>—</u>	<u>4,049,338</u>
Mutual Funds				
United States	130,824,583	—	—	130,824,583
TOTAL MUTUAL FUNDS	<u>130,824,583</u>	<u>—</u>	<u>—</u>	<u>130,824,583</u>
Fully Funded Total Return Swaps	—	20,810,307	—	20,810,307
Short-Term Investments	20,168,037	—	—	20,168,037
Total Investments	<u>749,157,381</u>	<u>1,553,336,883</u>	<u>27,450,114</u>	<u>2,329,944,378</u>
Derivatives <sup>^</sup>				
Forward Currency Contracts				
Foreign Currency Risk	—	2,394,566	—	2,394,566
Futures Contracts				
Equity Risk	585,358	—	—	585,358
Total	<u>\$749,742,739</u>	<u>\$1,555,731,449</u>	<u>\$27,450,114</u>	<u>\$2,332,924,302</u>
<b>Liability Valuation Inputs</b>				
Derivatives <sup>^</sup>				
Forward Currency Contracts				
Foreign Currency Risk	\$ —	\$ (38,794)	\$ —	\$ (38,794)
Futures Contracts				
Equity Risk	—	(1,721,609)	—	(1,721,609)
Total	<u>\$ —</u>	<u>\$ (1,760,403)</u>	<u>\$ —</u>	<u>\$ (1,760,403)</u>

# GMO Trust Funds

## Notes to Financial Statements — (Continued) February 28, 2018

Description	Level 1	Level 2	Level 3	Total
<b>Emerging Markets Fund</b>				
<b>Asset Valuation Inputs</b>				
Common Stocks				
Brazil	\$ —	\$ 115,715,149	\$ —	\$ 115,715,149
Chile	—	3,250,141	—	3,250,141
China	122,405,602	833,468,588	680,939	956,555,129
Czech Republic	—	13,743,065	—	13,743,065
Egypt	—	2,306,248	—	2,306,248
Greece	—	57,424,336	—	57,424,336
Hungary	—	4,471,029	—	4,471,029
India	19,149,312	169,197,727	1,802,252	190,149,291
Indonesia	3,376,189	109,082,955	—	112,459,144
Malaysia	—	8,261,189	—	8,261,189
Mexico	42,612,077	—	—	42,612,077
Pakistan	—	883,038	—	883,038
Peru	34,567,065	—	—	34,567,065
Philippines	—	39,993,916	—	39,993,916
Poland	—	9,250,757	—	9,250,757
Qatar	—	30,340,006	—	30,340,006
Russia	101,134,379	549,973,593	—	651,107,972
South Africa	1,081,375	109,993,717	—	111,075,092
South Korea	4,940,615	502,546,139	—	507,486,754
Sri Lanka	—	788,630	—	788,630
Taiwan	114,650,313	1,014,592,406	—	1,129,242,719
Thailand	—	435,882,719	—	435,882,719
Turkey	—	218,446,234	—	218,446,234
United Arab Emirates	—	15,906,872	—	15,906,872
Vietnam	—	9,202,034	—	9,202,034
<b>TOTAL COMMON STOCKS</b>	<b>443,916,927</b>	<b>4,254,720,488</b>	<b>2,483,191</b>	<b>4,701,120,606</b>
Preferred Stocks				
Brazil	—	26,794,512	—	26,794,512
Colombia	9,840,471	—	—	9,840,471
Russia	—	8,658,032	—	8,658,032
South Korea	—	119,292,406	—	119,292,406
Taiwan	—	1,260,778	—	1,260,778
<b>TOTAL PREFERRED STOCKS</b>	<b>9,840,471</b>	<b>156,005,728</b>	<b>—</b>	<b>165,846,199</b>
Investment Funds				
India	—	—	98,736	98,736
Russia	—	—	2,704,993	2,704,993
Thailand	—	4,400,661	—	4,400,661
United States	80,246,174	—	—	80,246,174
<b>TOTAL INVESTMENT FUNDS</b>	<b>80,246,174</b>	<b>4,400,661</b>	<b>2,803,729</b>	<b>87,450,564</b>
Rights/Warrants				
Thailand	423,736	—	—	423,736
<b>TOTAL RIGHTS/WARRANTS</b>	<b>423,736</b>	<b>—</b>	<b>—</b>	<b>423,736</b>
Mutual Funds				
United States	97,620,412	—	—	97,620,412
<b>TOTAL MUTUAL FUNDS</b>	<b>97,620,412</b>	<b>—</b>	<b>—</b>	<b>97,620,412</b>
Short-Term Investments	4,470,406	—	—	4,470,406
<b>Total Investments</b>	<b>636,518,126</b>	<b>4,415,126,877</b>	<b>5,286,920</b>	<b>5,056,931,923</b>

## GMO Trust Funds

### Notes to Financial Statements — (Continued) February 28, 2018

Description	Level 1	Level 2	Level 3	Total
<b>Emerging Markets Fund (continued)</b>				
<b>Asset Valuation Inputs (continued)</b>				
Derivatives <sup>^</sup>				
Futures Contracts				
Equity Risk	\$ 17,822,856	\$ —	\$ —	\$ 17,822,856
Swap Contracts				
Equity Risk	—	435,941	—	435,941
Total	<u>\$ 654,340,982</u>	<u>\$4,415,562,818</u>	<u>\$5,286,920</u>	<u>\$5,075,190,720</u>
<b>Foreign Small Companies Fund</b>				
<b>Asset Valuation Inputs</b>				
Common Stocks				
Australia	\$ —	\$ 4,653,784	\$ —	\$ 4,653,784
Austria	—	3,723,666	—	3,723,666
Belgium	—	968,293	—	968,293
Canada	6,521,743	—	—	6,521,743
China	—	3,276,631	—	3,276,631
Finland	—	1,858,314	—	1,858,314
France	—	7,731,477	—	7,731,477
Germany	—	11,566,636	—	11,566,636
Hong Kong	—	3,357,586	—	3,357,586
India	—	1,184,630	—	1,184,630
Italy	—	5,821,351	—	5,821,351
Japan	—	37,823,211	—	37,823,211
Malaysia	—	1,780,124	—	1,780,124
Norway	—	2,462,105	—	2,462,105
Poland	—	1,496,240	—	1,496,240
Portugal	—	602,105	—	602,105
Singapore	—	3,333,344	—	3,333,344
South Africa	—	924,887	—	924,887
South Korea	—	10,174,339	—	10,174,339
Spain	—	1,534,710	—	1,534,710
Sweden	—	1,221,420	—	1,221,420
Switzerland	—	8,461,260	—	8,461,260
Taiwan	—	3,419,508	—	3,419,508
United Kingdom	—	16,282,090	—	16,282,090
TOTAL COMMON STOCKS	<u>6,521,743</u>	<u>133,657,711</u>	<u>—</u>	<u>140,179,454</u>
Mutual Funds				
United States	1,595,796	—	—	1,595,796
TOTAL MUTUAL FUNDS	<u>1,595,796</u>	<u>—</u>	<u>—</u>	<u>1,595,796</u>
Short-Term Investments	274,792	—	—	274,792
Total Investments	<u>8,392,331</u>	<u>133,657,711</u>	<u>—</u>	<u>142,050,042</u>
Total	<u>\$ 8,392,331</u>	<u>\$ 133,657,711</u>	<u>\$ —</u>	<u>\$ 142,050,042</u>

# GMO Trust Funds

## Notes to Financial Statements — (Continued) February 28, 2018

Description	Level 1	Level 2	Level 3	Total
<b>Foreign Small Companies Fund (continued)</b>				
<b>Liability Valuation Inputs</b>				
Derivatives <sup>^</sup>				
Futures Contracts				
Equity Risk	\$ (32,848)	\$ —	\$ —	\$ (32,848)
<b>International Equity Fund</b>				
<b>Asset Valuation Inputs</b>				
Common Stocks				
Australia	\$ —	\$ 189,828,477	\$ —	\$ 189,828,477
Austria	—	74,575,357	—	74,575,357
Belgium	—	9,708,207	—	9,708,207
Denmark	14,620,320	2,050,882	—	16,671,202
Finland	—	1,810,314	—	1,810,314
France	50,214,720	571,686,203	—	621,900,923
Germany	—	597,512,854	—	597,512,854
Hong Kong	—	243,392,366	—	243,392,366
Ireland	3,206,673	—	—	3,206,673
Israel	1,513,204	13,435,525	—	14,948,729
Italy	108,431,349	151,322,896	—	259,754,245
Japan	—	1,368,816,399	—	1,368,816,399
Malta	—	—	0\$	0\$
Netherlands	4,224,720	157,915,083	—	162,139,803
New Zealand	—	2,144,335	—	2,144,335
Norway	—	166,469,975	—	166,469,975
Portugal	—	7,569,526	—	7,569,526
Singapore	—	17,037,466	—	17,037,466
Spain	—	71,059,742	—	71,059,742
Sweden	—	173,357,000	—	173,357,000
Switzerland	—	252,050,594	—	252,050,594
United Kingdom	19,329,337	669,372,053	0\$	688,701,390
TOTAL COMMON STOCKS	201,540,323	4,741,115,254	0\$	4,942,655,577
Preferred Stocks				
Germany	—	34,042,646	—	34,042,646
TOTAL PREFERRED STOCKS	—	34,042,646	—	34,042,646
Mutual Funds				
United States	61,069,100	—	—	61,069,100
TOTAL MUTUAL FUNDS	61,069,100	—	—	61,069,100
Short-Term Investments				
	4,916,014	—	—	4,916,014
Total Investments	267,525,437	4,775,157,900	0\$	5,042,683,337
Total	\$ 267,525,437	\$ 4,775,157,900	\$ 0\$	\$ 5,042,683,337
<b>Liability Valuation Inputs</b>				
Derivatives <sup>^</sup>				
Futures Contracts				
Equity Risk	\$ (5,376)	\$ —	\$ —	\$ (5,376)
<b>International Large/Mid Cap Equity Fund</b>				
<b>Asset Valuation Inputs</b>				
Common Stocks				
Australia	\$ —	\$ 2,622,973	\$ —	\$ 2,622,973
Austria	—	2,141,670	—	2,141,670
Belgium	—	40,439	—	40,439
Denmark	205,920	529,548	—	735,468



# GMO Trust Funds

## Notes to Financial Statements — (Continued) February 28, 2018

Description	Level 1	Level 2	Level 3	Total
<b>International Large/Mid Cap Equity Fund (continued)</b>				
<b>Asset Valuation Inputs (continued)</b>				
Finland	\$ —	\$ 1,193,138	\$ —	\$ 1,193,138
France	373,920	9,929,155	—	10,303,075
Germany	—	8,669,941	—	8,669,941
Hong Kong	—	4,493,730	—	4,493,730
Ireland	124,641	—	—	124,641
Israel	17,877	—	—	17,877
Italy	885,742	1,167,882	—	2,053,624
Japan	—	22,265,234	—	22,265,234
Malta	—	—	0\$	0\$
Netherlands	183,050	3,230,348	—	3,413,398
New Zealand	—	149,916	—	149,916
Norway	—	473,451	—	473,451
Portugal	—	4,881	—	4,881
Singapore	—	336,775	—	336,775
Spain	—	1,195,998	—	1,195,998
Sweden	—	2,408,913	—	2,408,913
Switzerland	—	4,028,315	—	4,028,315
United Kingdom	234,106	11,201,508	—	11,435,614
<b>TOTAL COMMON STOCKS</b>	<b>2,025,256</b>	<b>76,083,815</b>	<b>0\$</b>	<b>78,109,071</b>
Preferred Stocks				
Germany	—	1,864,110	—	1,864,110
<b>TOTAL PREFERRED STOCKS</b>	<b>—</b>	<b>1,864,110</b>	<b>—</b>	<b>1,864,110</b>
Mutual Funds				
United States	1,181,128	—	—	1,181,128
<b>TOTAL MUTUAL FUNDS</b>	<b>1,181,128</b>	<b>—</b>	<b>—</b>	<b>1,181,128</b>
Short-Term Investments	348,184	—	—	348,184
Total Investments	3,554,568	77,947,925	0\$	81,502,493
Total	\$ 3,554,568	\$ 77,947,925	\$ 0\$	\$ 81,502,493
<b>Liability Valuation Inputs</b>				
Derivatives <sup>^</sup>				
Futures Contracts				
Equity Risk	\$ (24,404)	\$ —	\$ —	\$ (24,404)
<b>Quality Fund</b>				
<b>Asset Valuation Inputs</b>				
Common Stocks				
France	\$ —	\$ 69,278,362	\$ —	\$ 69,278,362
Germany	—	64,670,585	—	64,670,585
Switzerland	—	190,333,035	—	190,333,035
Taiwan	—	171,889,194	—	171,889,194
United Kingdom	—	451,815,382	—	451,815,382
United States	7,047,128,754	—	—	7,047,128,754
<b>TOTAL COMMON STOCKS</b>	<b>7,047,128,754</b>	<b>947,986,558</b>	<b>—</b>	<b>7,995,115,312</b>
Mutual Funds				
United States	51,092,040	—	—	51,092,040
<b>TOTAL MUTUAL FUNDS</b>	<b>51,092,040</b>	<b>—</b>	<b>—</b>	<b>51,092,040</b>
Short-Term Investments	148,578,011	—	—	148,578,011
Total Investments	7,246,798,805	947,986,558	—	8,194,785,363
Total	\$7,246,798,805	\$ 947,986,558	\$ —	\$8,194,785,363

# GMO Trust Funds

## Notes to Financial Statements — (Continued) February 28, 2018

Description	Level 1	Level 2	Level 3	Total
<b>Resources Fund</b>				
<b>Asset Valuation Inputs</b>				
Common Stocks				
Argentina	\$ 2,830,951	\$ —	\$ —	\$ 2,830,951
Australia	—	7,495,132	—	7,495,132
Austria	—	2,605,586	—	2,605,586
Brazil	—	2,212,282	—	2,212,282
Canada	4,565,689	—	—	4,565,689
China	—	8,772,390	—	8,772,390
Colombia	2,219,235	—	—	2,219,235
Denmark	—	8,713,430	—	8,713,430
Finland	—	553,189	—	553,189
France	—	13,208,665	—	13,208,665
Germany	—	4,407,009	—	4,407,009
Hungary	—	2,240,381	—	2,240,381
India	—	1,745,174	—	1,745,174
Israel	—	6,178,100	—	6,178,100
Italy	—	1,095,869	—	1,095,869
Japan	—	18,307,301	—	18,307,301
Netherlands	—	317,887	—	317,887
Norway	—	23,265,969	—	23,265,969
Poland	—	6,919,929	—	6,919,929
Qatar	—	366,488	—	366,488
Russia	—	34,931,255	—	34,931,255
Singapore	—	—	197,420	197,420
South Africa	—	6,151,212	—	6,151,212
South Korea	—	2,083,982	—	2,083,982
Spain	—	4,658,591	—	4,658,591
Sweden	—	2,081,992	—	2,081,992
Thailand	—	8,284,849	—	8,284,849
Turkey	—	517,491	—	517,491
Ukraine	—	2,711,578	—	2,711,578
United Kingdom	—	76,084,990	—	76,084,990
United States	49,742,313	—	—	49,742,313
<b>TOTAL COMMON STOCKS</b>	<b>59,358,188</b>	<b>245,910,721</b>	<b>197,420</b>	<b>305,466,329</b>
Preferred Stocks				
Brazil	—	18,934,562	—	18,934,562
Chile	10,797,262	—	—	10,797,262
Russia	—	7,035,095	—	7,035,095
<b>TOTAL PREFERRED STOCKS</b>	<b>10,797,262</b>	<b>25,969,657</b>	<b>—</b>	<b>36,766,919</b>
Mutual Funds				
United States	6,504,509	—	—	6,504,509
<b>TOTAL MUTUAL FUNDS</b>	<b>6,504,509</b>	<b>—</b>	<b>—</b>	<b>6,504,509</b>
Short-Term Investments	952,465	—	—	952,465
Total Investments	77,612,424	271,880,378	197,420	349,690,222
Total	\$ 77,612,424	\$ 271,880,378	\$ 197,420	\$ 349,690,222

# GMO Trust Funds

## Notes to Financial Statements — (Continued) February 28, 2018

Description	Level 1	Level 2	Level 3	Total
<b>Risk Premium Fund</b>				
<b>Asset Valuation Inputs</b>				
Debt Obligations				
United States	\$ 74,786,701	\$ —	\$ —	\$ 74,786,701
TOTAL DEBT OBLIGATIONS	74,786,701	—	—	74,786,701
Short-Term Investments	68,931,238	—	—	68,931,238
Total Investments	143,717,939	—	—	143,717,939
Total	\$ 143,717,939	\$ —	\$ —	\$ 143,717,939
<b>Liability Valuation Inputs</b>				
Derivatives <sup>^</sup>				
Written Options				
Equity Risk	\$ —	\$ (1,137,772)	\$ —	\$ (1,137,772)
<b>Tax-Managed International Equities Fund</b>				
<b>Asset Valuation Inputs</b>				
Common Stocks				
Australia	\$ —	\$ 2,326,770	\$ —	\$ 2,326,770
Austria	—	1,257,001	—	1,257,001
Belgium	—	148,293	—	148,293
Brazil	6,384	240,020	—	246,404
China	6,723	2,014,510	—	2,021,233
Colombia	47,277	—	—	47,277
Finland	—	447,611	—	447,611
France	396,720	7,473,177	—	7,869,897
Germany	—	7,040,457	—	7,040,457
Greece	—	6,570	—	6,570
Hong Kong	—	2,530,080	—	2,530,080
Hungary	—	106,624	—	106,624
India	—	583,672	—	583,672
Ireland	—	215,372	—	215,372
Israel	16,184	—	—	16,184
Italy	1,152,736	2,318,013	—	3,470,749
Japan	—	16,792,766	—	16,792,766
Malta	—	—	0\$	0\$
Mexico	195,426	—	—	195,426
Netherlands	—	1,411,437	—	1,411,437
New Zealand	—	64,159	—	64,159
Norway	—	1,040,672	—	1,040,672
Poland	—	35,338	—	35,338
Portugal	—	28,209	—	28,209
Russia	—	63,051	—	63,051
Singapore	—	616,802	—	616,802
South Africa	—	662,478	—	662,478
South Korea	9,740	836,012	—	845,752
Spain	—	375,399	—	375,399
Sweden	—	2,561,153	—	2,561,153
Switzerland	—	3,062,186	—	3,062,186
Taiwan	39,015	512,271	—	551,286
Thailand	—	280,100	—	280,100
Turkey	—	289,356	—	289,356
United Kingdom	78,416	8,588,439	—	8,666,855
TOTAL COMMON STOCKS	1,948,621	63,927,998	0\$	65,876,619

## GMO Trust Funds

### Notes to Financial Statements — (Continued) February 28, 2018

Description	Level 1	Level 2	Level 3	Total
<b>Tax-Managed International Equities Fund (continued)</b>				
<b>Asset Valuation Inputs (continued)</b>				
Preferred Stocks				
Brazil	\$ —	\$ 443,320	\$ —	\$ 443,320
Germany	—	845,473	—	845,473
South Korea	—	268,977	—	268,977
<b>TOTAL PREFERRED STOCKS</b>	<u>—</u>	<u>1,557,770</u>	<u>—</u>	<u>1,557,770</u>
Rights/Warrants				
Brazil	—	—	1,369	1,369
Thailand	1,010	—	—	1,010
<b>TOTAL RIGHTS/WARRANTS</b>	<u>1,010</u>	<u>—</u>	<u>1,369</u>	<u>2,379</u>
Mutual Funds				
United States	1,066,810	—	—	1,066,810
<b>TOTAL MUTUAL FUNDS</b>	<u>1,066,810</u>	<u>—</u>	<u>—</u>	<u>1,066,810</u>
Short-Term Investments	83,395	—	—	83,395
<b>Total Investments</b>	<u>3,099,836</u>	<u>65,485,768</u>	<u>1,369</u>	<u>68,586,973</u>
<b>Total</b>	<u>\$ 3,099,836</u>	<u>\$ 65,485,768</u>	<u>\$ 1,369</u>	<u>\$ 68,586,973</u>
<b>Liability Valuation Inputs</b>				
Derivatives <sup>^</sup>				
Futures Contracts				
Equity Risk	\$ (46,749)	\$ —	\$ —	\$ (46,749)
<b>U.S. Equity Allocation Fund</b>				
<b>Asset Valuation Inputs</b>				
Common Stocks	\$1,361,150,817	\$ —	\$ —	\$1,361,150,817
Mutual Funds	7,460,010	—	—	7,460,010
Short-Term Investments	1,193,552	—	—	1,193,552
<b>Total Investments</b>	<u>1,369,804,379</u>	<u>—</u>	<u>—</u>	<u>1,369,804,379</u>
Derivatives <sup>^</sup>				
Futures Contracts				
Equity Risk	74,241	—	—	74,241
<b>Total</b>	<u>\$1,369,878,620</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$1,369,878,620</u>

The risks referenced in the tables above are not intended to be inclusive of all risks. Please see the “Investment and other risks” and “Derivative financial instruments” sections below for a further discussion of risks.

<sup>^</sup> The tables above are based on market values or unrealized appreciation/(depreciation), in the case of forward currency contracts, rather than the notional amounts of derivatives. The uncertainties surrounding the valuation inputs for a derivative are likely to be more significant to the Funds’ net asset values than the uncertainties surrounding inputs for a non-derivative security with the same market value. Excludes purchased options fully funded total return swaps and rights/warrants, if any, which are included in investments.

<sup>§</sup> Represents the interest in securities that were determined to have a value of zero at February 28, 2018.

The underlying funds held at year end are classified above as Level 1. For the summary of valuation inputs of the underlying funds, please refer to the underlying funds’ Notes to Financial Statements.

For all Funds for the year ended February 28, 2018, there were no significant transfers between Level 1 and Level 2.

# GMO Trust Funds

## Notes to Financial Statements — (Continued) February 28, 2018

The following is a reconciliation of securities and derivatives, if any, in which significant unobservable inputs (Level 3) were used in determining value:

	Balances as of February 28, 2017	Purchases	Sales	Accrued Discounts/ Premiums	Total Realized Gain/ (Loss)	Change in Unrealized Appreciation (Depreciation)	Transfer into Level 3†	Transfer out of Level 3†	Balances as of February 28, 2018	Net Change in Unrealized Appreciation (Depreciation) from Investments Still Held as of February 28, 2018
<b>Climate Change Fund</b>										
<b>Common Stocks</b>										
Australia	\$ —	\$ 46,107	\$ —	\$—	\$ —	\$ (33,878)	\$ —	\$—	\$ 12,229	\$ (33,878)
Total	\$ —	\$ 46,107	\$ —	\$—	\$ —	\$ (33,878)	\$ —	\$—	\$ 12,229	\$ (33,878)
<b>Emerging Domestic Opportunities Fund</b>										
<b>Common Stocks</b>										
India	\$ —	\$16,858,097	\$ —	\$—	\$ —	\$10,592,017	\$ —	\$—	\$27,450,114	\$10,592,017
Total	\$ —	\$16,858,097	\$ —	\$—	\$ —	\$10,592,017	\$ —	\$—	\$27,450,114	\$10,592,017
<b>Emerging Markets Fund</b>										
<b>Common Stocks</b>										
China	\$ 686,465	\$ —	\$ —	\$—	\$ —	\$ (5,526)	\$ —	\$—	\$ 680,939	\$ (5,526)
India	—	1,924,051	—	—	—	(121,799)	—	—	1,802,252	(121,799)
Total Common Stocks	\$ 686,465	\$ 1,924,051	\$ —	\$—	\$ —	\$ (127,325)	\$ —	\$—	\$ 2,483,191	\$ (127,325)
<b>Investment Funds</b>										
India	\$5,842,567	\$ —	\$ (3,199,252)	\$—	\$ (6,989,828)	\$ 4,445,249	\$ —	\$—	\$ 98,736	\$ (15,285)
Russia	2,083,527	—	(20,149)	—	—	641,615	—	—	2,704,993	641,615
Total Investment Funds	\$7,926,094	\$ —	\$ (3,219,401)	\$—	\$ (6,989,828)	\$ 5,086,864	\$ —	\$—	\$ 2,803,729	\$ 626,330
<b>Rights/Warrants</b>										
India	\$ 23,428	\$ —	\$ 0	\$—	\$ —	\$ (23,428)	\$ —	\$—	\$ —	\$ —
Total	\$8,635,987	\$ 1,924,051	\$ (3,219,401)	\$—	\$ (6,989,828)	\$ 4,936,111	\$ —	\$—	\$ 5,286,920	\$ 499,005
<b>International Equity Fund</b>										
<b>Common Stocks</b>										
Malta	\$ 248,929	\$ —	\$ —	\$—	\$ —	\$ (248,929)	\$ —	\$—	\$ 0§	\$ (248,929)
Total	\$ 248,929	\$ —	\$ —	\$—	\$ —	\$ (248,929)	\$ —	\$—	\$ 0§	\$ (248,929)
<b>International Large/Mid Cap Equity Fund</b>										
<b>Common Stocks</b>										
Malta	\$ 249,150	\$ —	\$ —	\$—	\$ —	\$ (249,150)	\$ —	\$—	\$ 0§	\$ (249,150)
Total	\$ 249,150	\$ —	\$ —	\$—	\$ —	\$ (249,150)	\$ —	\$—	\$ 0§	\$ (249,150)

## GMO Trust Funds

### Notes to Financial Statements — (Continued) February 28, 2018

	Balances as of February 28, 2017	Purchases	Sales	Accrued Discounts/ Premiums	Total Realized Gain/ (Loss)	Change in Unrealized Appreciation (Depreciation)	Transfer into Level 3†	Transfer out of Level 3†	Balances as of February 28, 2018	Net Change in Unrealized Appreciation (Depreciation) from Investments Still Held as of February 28, 2018
<b>Resources Fund</b>										
<b>Common Stocks</b>										
Singapore	\$ —	\$ —	\$ —	\$—	\$ —	\$ —	\$197,420‡	\$—	\$ 197,420	\$ —
Total	\$ —	\$ —	\$ —	\$—	\$ —	\$ —	\$197,420	\$—	\$ 197,420	\$ —
<b>Tax-Managed International Equities Fund</b>										
<b>Common Stocks</b>										
Malta	\$ 26,756	\$ —	\$ —	\$—	\$ —	\$ (26,756)	\$ —	\$—	\$ 0§	\$ (26,756)
Total	\$ 26,756	\$ —	\$ —	\$—	\$ —	\$ (26,756)	\$ —	\$—	\$ 0§	\$ (26,756)
<b>Rights/Warrants</b>										
Brazil	\$ 990	\$ 0	\$ 0	\$—	\$ —	\$ 379	\$ —	\$—	\$ 1,369	\$ 1,369
Total	\$ 27,746	\$ 0	\$ 0	\$—	\$ —	\$ (26,377)	\$ —	\$—	\$ 1,369	\$ (25,387)

† The Funds account for securities and derivatives, if any, transferred into and out of Level 3 at the value at the end of the year.

‡ Financial assets transferred between levels were due to a change in observable and/or unobservable inputs.

§ Represents the interest in securities that were determined to have a value of zero at February 28, 2018.

The net aggregate direct and indirect exposure to investments in securities and/or derivatives using Level 3 inputs and presented on a net basis, which will tend to understate the Funds' exposure, (based on each Fund's net assets) as of February 28, 2018 were as follows:

Fund Name	Level 3 securities and derivatives
Climate Change Fund	< 1%
Emerging Domestic Opportunities Fund	1%*
Emerging Markets Fund	< 1%
Foreign Small Companies Fund	—
International Equity Fund	0%§
International Large/Mid Cap Equity Fund	0%§
Quality Fund	—
Resources Fund	< 1%
Risk Premium Fund	—
Tax-Managed International Equities Fund	< 1%
U.S. Equity Allocation Fund	—

\* Includes Dixon Technologies India Ltd, which represents 0.75% of the Fund's total net assets and is valued using the exchange last traded price and is restricted from sale until September 18, 2018.

§ Represents the interest in securities that were determined to have a value of zero at February 28, 2018.

### Cash

Cash and foreign currency, if any, in the Statements of Assets and Liabilities consist of cash balances held with the custodian.

## GMO Trust Funds

### Notes to Financial Statements — (Continued) February 28, 2018

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#### **Due to/from broker**

Due to/from broker in the Statements of Assets and Liabilities includes collateral on swap contracts, futures contracts, option contracts and forward currency contracts, if any, and may include marked-to-market amounts related to foreign currency or cash owed.

#### **Foreign currency translation**

The market values of foreign securities, currency holdings and related assets and liabilities are typically translated into U.S. dollars at the close of regular trading on the NYSE, generally at 4:00 pm Eastern time. Income and expenses denominated in foreign currencies are typically translated into U.S. dollars at the close of regular trading on the NYSE. Fluctuations in the value of currency holdings and other assets and liabilities resulting from changes in exchange rates are recorded as unrealized foreign currency gains or losses. Realized gains or losses and unrealized appreciation or depreciation on investment securities and income and expenses are translated on the respective dates of such transactions. The effects of changes in foreign currency exchange rates on investments in securities are not separated in the Statements of Operations from the effects of changes in market prices of those securities, but are included with the net realized and unrealized gain or loss on investment securities.

#### **Taxes and distributions**

Each Fund has elected to be treated or intends to elect to be treated and intends to qualify each tax year as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended (the “Code”). Each Fund intends to distribute its net investment income, if any, and its net realized short-term and long-term capital gains, if any, after giving effect to any available capital loss carryforwards for U.S. federal income tax purposes. Therefore, each Fund makes no provision for U.S. federal income or excise taxes.

The policy of each Fund is to declare and pay dividends of its net investment income, if any, at least annually, although the Funds are permitted to, and will from time to time, declare and pay dividends of net investment income, if any, more frequently. Each Fund also intends to distribute net realized short-term and long-term capital gains, if any, at least annually. In addition, each Fund may, from time to time at their discretion, make unscheduled distributions in advance of large redemptions by shareholders or as otherwise deemed appropriate by a Fund. Typically, all distributions are reinvested in additional shares of each Fund at net asset value, unless GMO or its agents receive and process a shareholder election to receive cash distributions. Distributions to shareholders are recorded by each Fund on the ex-dividend date.

Taxes on foreign interest and dividend income are generally withheld in accordance with the applicable country’s tax treaty with the United States. The foreign withholding rates applicable to a Fund’s investments in certain jurisdictions may be higher if a significant portion of the Fund is held by non-U.S. shareholders. Each Fund may be subject to taxation on realized capital gains, repatriation proceeds and other transaction-based charges imposed by certain countries in which it invests. Transaction-based charges are generally calculated as a percentage of the transaction amount. Taxes related to capital gains realized during the year ended February 28, 2018, if any, are reflected as part of Net realized gain (loss) in the Statements of Operations. Changes in tax liabilities related to capital gain taxes on unrealized investment gains, if any, are reflected as part of Change in net unrealized appreciation (depreciation) in the Statements of Operations.

Certain Funds have previously filed for and/or may file for additional tax refunds with respect to certain taxes withheld by certain countries. Generally, the amount of such refunds that a Fund reasonably determines are collectible and free from significant contingencies are reflected in a Fund’s net asset value and are reflected as Dividends from unaffiliated issuers in the Statements of Operations. In certain circumstances, a Fund’s receipt of such refunds may cause the Fund and/or its shareholders to be liable for U.S. federal income taxes and interest charges.

Foreign taxes paid by each Fund may be treated, to the extent permissible by the Code (and other applicable U.S. federal tax guidance) and if that Fund so elects, as if paid by U.S. shareholders of that Fund.

Income and capital gain distributions are determined in accordance with U.S. federal income tax regulations, which may differ from U.S. GAAP. Certain capital accounts in the financial statements are periodically adjusted for permanent differences in order to reflect their tax character. These adjustments have no impact on net assets or net asset value per share. Temporary differences that arise from recognizing certain items of income, expense, gain or loss in different periods for financial statement and tax purposes will likely reverse at some time in the future. Distributions in excess of net investment income or net realized gains are temporary over-distributions for financial statement purposes resulting from differences in the recognition or classification of income or distributions for financial statement and tax purposes.

# GMO Trust Funds

## Notes to Financial Statements — (Continued) February 28, 2018

U.S. GAAP and tax accounting differences for each Fund primarily relate to reasons described in the following table:

	Climate Change Fund	Emerging Domestic Opportunities Fund	Emerging Markets Fund	Foreign Small Companies Fund	International Equity Fund	International Large/Mid Cap Equity Fund	Quality Fund	Resources Fund	Risk Premium Fund	Tax-Managed International Equities Fund	U.S. Equity Allocation Fund
<b>Differences related to:</b>											
Capital loss carry forwards		X	X	X	X	X		X		X	X
Derivative contract transactions		X	X		X				X	X	
Dividend income and withholding tax reclaim reserves			X	X	X	X		X		X	
Dividends received from underlying investments					X	X	X	X		X	
Foreign currency transactions		X		X		X				X	
Late-year ordinary losses		X	X	X							
Losses on wash sale transactions		X	X	X	X	X	X	X		X	X
Passive foreign investment company transactions	X	X	X	X	X	X		X		X	
Post-October capital losses		X			X				X	X	
Redemption in-kind transactions				X							
Foreign capital gains taxes		X	X								
Partnership interest tax allocations			X								

The tax character of distributions declared by each Fund to shareholders is as follows:

Fund Name	Tax year ended February 28, 2018			Tax year ended February 28, 2017		
	Ordinary Income (including any net short-term capital gain) (\$)	Net Long-Term Capital Gain (\$)	Total Distributions (\$)	Ordinary Income (including any net short-term capital gain) (\$)	Net Long-Term Capital Gain (\$)	Total Distributions (\$)
Climate Change Fund	667,145	—	667,145	N/A	N/A	N/A
Emerging Domestic Opportunities Fund	31,510,027	—	31,510,027	60,110,737	—	60,110,737
Emerging Markets Fund	136,413,021	—	136,413,021	109,038,222	—	109,038,222
Foreign Small Companies Fund	34,869,346	25,090,273	59,959,619	23,646,521	—	23,646,521
International Equity Fund	173,426,570	—	173,426,570	262,473,509	—	262,473,509
International Large/Mid Cap Equity Fund	7,566,372	7,100,022	14,666,394	40,719,674	—	40,719,674
Quality Fund	212,456,599	436,963,160	649,419,759	148,413,572	154,921,160	303,334,732
Resources Fund	10,936,883	—	10,936,883	6,026,707	—	6,026,707
Risk Premium Fund	10,150,823	14,577,950	24,728,773	5,207,663	8,050,339	13,258,002
Tax-Managed International Equities Fund	3,315,762	—	3,315,762	5,479,378	—	5,479,378
U.S. Equity Allocation Fund	36,913,913	136,022,591	172,936,504	63,029,610	198,946,416	261,976,026



## GMO Trust Funds

### Notes to Financial Statements — (Continued) February 28, 2018

Distributions in excess of a Fund's tax basis earnings and profits, if significant, are reported in the Funds' financial statements as a return of capital.

As of February 28, 2018, the components of distributable earnings on a tax basis and certain tax attributes for the Funds consisted of the following:

Fund Name	Undistributed Ordinary Income (including any net short-term capital gain) (\$)	Undistributed Net Long-Term Capital Gain (\$)	Late-Year Ordinary Loss Deferral (\$)	Capital Loss Carryforwards (\$)	Post-October Capital Losses (\$)
Climate Change Fund	646,791	—	—	—	—
Emerging Domestic Opportunities Fund	62,597,656	139,865,479	(2,255,504)	—	—
Emerging Markets Fund	—	—	(3,555,452)	(1,449,497,339)	—
Foreign Small Companies Fund	414,255	3,046,036	—	—	—
International Equity Fund	11,839,498	—	—	(1,117,881,400)	—
International Large/Mid Cap Equity Fund	361,726	666,973	—	—	—
Quality Fund	17,458,443	261,615,527	—	—	—
Resources Fund	5,068,629	—	—	(45,339,799)	(74,843)
Risk Premium Fund	219,156	—	—	—	(3,798,674)
Tax-Managed International Equities Fund	73,503	1,772,364	—	(15,390,229)	—
U.S. Equity Allocation Fund	2,966,523	80,406,113	—	—	—

As of February 28, 2018, certain Funds had capital loss carryforwards available to offset future realized gains, if any, to the extent permitted by the Code. Net capital losses recognized in taxable years beginning on or after March 1, 2011 are carried forward without expiration and generally retain their short-term and/or long-term tax character, as applicable. Utilization of the capital loss carryforwards, post-October capital losses, late-year ordinary losses, and losses realized subsequent to February 28, 2018, if any, could be subject to further limitations imposed by the Code related to share ownership activity. The Funds' capital loss carryforwards are as follows:

Fund Name	Short-Term (\$)	Long-Term (\$)
	No Expiration Date	No Expiration Date
Climate Change Fund	—	—
Emerging Domestic Opportunities Fund	—	—
Emerging Markets Fund	(128,012,850)	(1,321,484,489)
Foreign Small Companies Fund	—	—
International Equity Fund	(692,086,892)	(425,794,508)
International Large/Mid Cap Equity Fund	—	—
Quality Fund	—	—
Resources Fund	(20,440,224)	(24,899,575)
Risk Premium Fund	—	—
Tax-Managed International Equities Fund	(15,390,229)	—
U.S. Equity Allocation Fund	—	—

## GMO Trust Funds

### Notes to Financial Statements — (Continued) February 28, 2018

As of February 28, 2018, the approximate total cost, aggregate investment-level gross/net unrealized appreciation (depreciation) in the value of total investments (including total securities sold short, if any), and the net unrealized appreciation (depreciation) of outstanding financial instruments for U.S. federal income tax purposes were as follows:

Fund Name	Total Investments				Outstanding Financial Instruments
	Aggregate Cost (\$)	Gross Unrealized Appreciation (\$)	Gross Unrealized (Depreciation) (\$)	Net Unrealized Appreciation (Depreciation) (\$)	Net Unrealized Appreciation (Depreciation) (\$)
Climate Change Fund	25,292,569	2,483,881	(1,020,326)	1,463,555	—
Emerging Domestic Opportunities Fund	2,049,176,513	325,959,168	(45,191,303)	280,767,865	625,954
Emerging Markets Fund	4,350,334,178	822,983,483	(116,385,738)	706,597,745	435,941
Foreign Small Companies Fund	130,659,466	15,362,989	(3,972,413)	11,390,576	—
International Equity Fund	4,321,142,630	857,748,335	(136,207,628)	721,540,707	—
International Large/Mid Cap Equity Fund	69,831,651	13,047,116	(1,376,274)	11,670,842	—
Quality Fund	5,578,827,925	2,668,041,774	(52,084,336)	2,615,957,438	—
Resources Fund	273,120,372	84,087,781	(7,517,931)	76,569,850	—
Risk Premium Fund	143,887,985	16,206	(186,252)	(170,046)	73,550
Tax-Managed International Equities Fund	44,934,972	24,060,763	(408,762)	23,652,001	—
U.S. Equity Allocation Fund	1,213,359,871	182,751,490	(26,306,982)	156,444,508	—

The Funds are subject to authoritative guidance related to the accounting and disclosure of uncertain tax positions under U.S. GAAP. This guidance sets forth a minimum threshold for the financial statement recognition of tax positions taken based on the technical merits of such positions. United States and non-U.S. tax rules (including the interpretation and application of tax laws) are subject to change. The Funds file tax returns and/or adopt certain tax positions in various jurisdictions. Non-U.S. taxes are provided for based on the Funds' understanding of the prevailing tax rules of the non-U.S. markets in which they invest. Recently enacted tax rules, including interpretations of tax laws (e.g., guidance pertaining to the U.S. Foreign Account Tax Compliance Act) and tax legislation/initiatives currently under consideration in various jurisdictions, including the U.S., might affect the way the Funds and their investors are taxed prospectively and/or retroactively. Prior to the expiration of the relevant statutes of limitations, if any, the Funds are subject to examination by U.S. federal, state, local and non-U.S. jurisdictions with respect to the tax returns they have filed and the tax positions they have adopted. The Funds' U.S. federal income tax returns are generally subject to examination by the Internal Revenue Service for a period of three years after they are filed. State, local and/or non-U.S. tax returns and/or other filings may be subject to examination for different periods, depending upon the tax rules of each applicable jurisdiction.

#### Security transactions and related investment income

Security transactions are accounted for in the financial statements on trade date. For purposes of daily net asset value calculations, the Funds' policy is that security transactions are generally accounted for on the following business day. GMO may override that policy and a Fund may account for security transactions on trade date if it experiences significant purchases or redemptions or engages in significant portfolio transactions. Dividend income, net of applicable foreign withholding taxes, if any, is recorded on the ex-dividend date or, if later, when a Fund is informed of the ex-dividend date. Income dividends and capital gain distributions from the underlying funds are recorded on the ex-dividend date. Interest income is recorded on the accrual basis and is adjusted for the amortization of premiums and accretion of discounts. Principal on inflation-indexed securities is adjusted for inflation and any increase or decrease is recorded as interest income or investment loss. Coupon income is not recognized on securities for which collection is not expected. Paydown gains and losses on mortgage-related and other asset-backed securities, if any, are recorded as components of interest income in the Statements of Operations. Non-cash dividends, if any, are recorded at the fair market value of the asset received. In determining the net gain or loss on securities sold, the Funds use the identified cost basis.

## GMO Trust Funds

### Notes to Financial Statements — (Continued) February 28, 2018

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#### **Expenses and class allocations**

Most of the expenses of the Trust are directly attributable to an individual Fund. Generally, common expenses are allocated among the Funds based on, among other things, the nature and type of expense and the relative size of the Funds. Investment income, common expenses, purchase premiums and redemption fees, if any, and realized and unrealized gains and losses are allocated among the classes of shares of the Funds, if applicable, based on the relative net assets of each class. Shareholder service fees, if any, which are directly attributable to a class of shares, are charged to that class's operations. In addition, the Funds may incur fees and expenses indirectly as a shareholder in the underlying funds. Because the underlying funds have different expense and fee levels and the Funds may own different proportions of the underlying funds at different times, the amount of fees and expenses indirectly incurred by a Fund will vary (see Note 5).

State Street Bank and Trust Company ("State Street") serves as the Funds' custodian and fund accounting agent except for Emerging Markets Fund's holdings in Indian assets, for which Brown Brothers Harriman & Co. ("BBH") serves as custodian. Prior to November 3, 2017, BBH served as the Funds' custodian and fund accounting agent except for Climate Change Fund, Quality Fund, U.S. Equity Allocation Fund and Risk Premium Fund. State Street serves as the transfer agent for all Funds. Prior to December 31, 2013, State Street's transfer agent fees may have been reduced by an earnings allowance calculated on the average daily cash balances each Fund maintained in a State Street transfer agent account. Earnings allowances were reported as a reduction of expenses in the Statements of Operations. Effective January 1, 2014, any cash balances maintained at the transfer agent are held in a Demand Deposit Account and interest income earned, if any, is shown as interest income in the Statements of Operations. Any cash balances maintained at the custodian are held in a Demand Deposit Account and interest income earned, if any, is shown as interest income in the Statements of Operations.

#### **Purchases and redemptions of Fund shares**

Purchase premiums and redemption fees (if applicable) are paid to and retained by a Fund to help offset estimated portfolio transaction costs and other related costs (e.g., bid to ask spreads, stamp duties, and transfer fees) incurred by the Fund (directly or indirectly through investments in underlying funds) as a result of an investor's purchase or redemption by allocating estimated transaction costs to the purchasing or redeeming shareholder. Such fees are recorded as a component of the Funds' net share transactions. A Fund may impose a new purchase premium and redemption fee or modify an existing fee at any time.

Purchase premiums are not charged on reinvestments of dividends or other distributions. Redemption fees apply to all shares of a Fund regardless of how the shares were acquired (e.g., by direct purchase or by reinvestment of dividends or other distributions).

If GMO determines that any portion of a cash purchase or redemption, as applicable, is offset by a corresponding cash redemption or purchase occurring on the same day, it ordinarily will waive or reduce the purchase premium or redemption fee with respect to that portion.

GMO also may waive or reduce the purchase premium or redemption fee for a cash purchase or redemption of a Fund's shares if the Fund will not incur transaction costs or will incur reduced transaction costs.

GMO also may reduce the purchase premium to the extent that securities are used to purchase a Fund's shares (taking into account transaction costs, stamp duties or transfer fees). GMO may reduce redemption fees to the extent a Fund uses portfolio securities to redeem its shares (taking into account transaction costs, stamp duties or transfer fees).

Purchase premiums or redemption fees generally will not be waived for purchases and redemptions of Fund shares executed through brokers or agents, including, without limitation, intermediary platforms that are allowed pursuant to agreements with the Trust to transmit orders for purchases and redemptions the day after those orders are received.

# GMO Trust Funds

## Notes to Financial Statements — (Continued) February 28, 2018

As of February 28, 2018, the premium on cash purchases and the fee on cash redemptions were as follows:

	Climate Change Fund	Emerging Domestic Opportunities Fund	Emerging Markets Fund	Foreign Small Companies Fund	International Equity Fund	International Large/Mid Cap Equity Fund	Quality Fund	Resources Fund	Risk Premium Fund	Tax-Managed International Equities Fund	U.S. Equity Allocation Fund
Purchase Premium	—	0.80%	0.80%	0.50%	—	—	—	0.30%	0.15%	—	—
Redemption Fee	—	0.80%	0.80%	0.50%	—	—	—	0.30%	0.15%	—	—

### Other matters

#### Emerging Markets Fund (“EMF”)

Indian regulators alleged in 2002 that EMF violated some conditions under which it was granted permission to operate in India and have restricted some of EMF’s locally held assets pending resolution of the dispute. Although these locally held assets remain the property of EMF, a portion of the assets are not permitted to be withdrawn from EMF’s local custodial account located in India. The amount of restricted assets is small relative to the size of EMF, representing approximately 0.08% of the Fund’s total net assets as of February 28, 2018 and is included within miscellaneous payable within the Statements of Assets and Liabilities. The effect of this claim on the value of the restricted assets, and all matters relating to EMF’s response to these allegations, are subject to the supervision and control of GMO Trust’s Board of Trustees. Any costs in respect of this matter will be borne by EMF.

### 3. Investment and other risks

The following chart identifies selected risks associated with each Fund. Risks not marked for a particular Fund may, however, still apply to some extent to that Fund at various times.

	Climate Change Fund	Emerging Domestic Opportunities Fund	Emerging Markets Fund	Foreign Small Companies Fund	International Equity Fund	International Large/Mid Cap Equity Fund	Quality Fund	Resources Fund	Risk Premium Fund	Tax-Managed International Equities Fund	U.S. Equity Allocation Fund
Commodities Risk	X							X			
Counterparty Risk	X	X	X	X	X	X	X	X	X	X	X
Credit Risk		X							X		
Currency Risk	X	X	X	X	X	X	X	X	X	X	
Derivatives and Short Sales Risk	X	X	X	X	X	X	X	X	X	X	X

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	Climate Change Fund	Emerging Domestic Opportunities Fund	Emerging Markets Fund	Foreign Small Companies Fund	International Equity Fund	International Large/Mid Cap Equity Fund	Quality Fund	Resources Fund	Risk Premium Fund	Tax-Managed International Equities Fund	U.S. Equity Allocation Fund
Focused Investment Risk	X	X	X	X	X	X	X	X	X	X	X
Fund of Funds Risk		X	X								
Illiquidity Risk	X	X	X	X	X	X	X	X	X	X	X
Large Shareholder Risk	X	X	X	X	X	X	X	X	X	X	X
Leveraging Risk	X	X	X	X	X	X	X	X		X	X
Management and Operational Risk	X	X	X	X	X	X	X	X	X	X	X
Market Disruption and Geopolitical Risk	X	X	X	X	X	X	X	X	X	X	X
Market Risk – Equities	X	X	X	X	X	X	X	X	X	X	X
Market Risk – Fixed Income		X							X		
Merger Arbitrage Risk	X							X			
Non-Diversified Funds	X	X	X				X	X	X	X	
Non-U.S. Investment Risk	X	X	X	X	X	X	X	X	X	X	
Small Company Risk	X	X	X	X	X		X	X	X	X	X

Investing in mutual funds involves many risks. The risks of investing in a particular Fund depend on the types of investments in its portfolio and the investment strategies GMO employs on its behalf. This section does not describe every potential risk of investing in the Funds. Funds could be subject to additional risks because of the types of investments they make and market conditions, which may change over time.

Each Fund that invests in other GMO Funds or other investment companies (collectively, “Underlying Funds”) is exposed to the risks to which the Underlying Funds in which it invests are exposed, as well as the risk that the Underlying Funds will not perform as expected. Therefore, unless otherwise noted, the selected risks summarized below include both direct and indirect risks, and references in this section to investments made by a Fund include those made both directly by the Fund and indirectly by the Fund through Underlying Funds.

An investment in a Fund is not a bank deposit and, therefore, is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

- **COMMODITIES RISK.** Commodity prices can be extremely volatile and are affected by many factors. Exposure to commodities can cause the net asset value of a Fund’s shares to decline or fluctuate in a rapid and unpredictable manner. The value of commodity-related derivatives or indirect investments in commodities may fluctuate more than the commodity, commodities or commodity index to which they relate. See “Derivatives and Short Sales Risk” for a discussion of specific risks of a Fund’s derivatives investments, including commodity-related derivatives.

- **COUNTERPARTY RISK.** Funds that enter into contracts with counterparties, such as repurchase or reverse repurchase agreements or OTC derivatives contracts, or that lend their securities run the risk that the counterparty will be unable or unwilling to make timely settlement payments or otherwise honor its obligations. If a counterparty fails to meet its contractual obligations, goes bankrupt, or

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otherwise experiences a business interruption, the Fund could miss investment opportunities or otherwise be forced to hold investments it would prefer to sell, resulting in losses for the Fund. In addition, a Fund may suffer losses if a counterparty fails to comply with applicable laws or other requirements. The Funds are not subject to any limits on their exposure to any one counterparty nor to a requirement that counterparties with whom they enter into contracts maintain a specific rating by a nationally recognized rating organization. Counterparty risk is pronounced during unusually adverse market conditions and is particularly acute in environments in which financial services firms are exposed (as they were in 2008) to systemic risks of the type evidenced by the insolvency of Lehman Brothers and subsequent market disruptions.

Participants in OTC derivatives markets typically are not subject to the same level of credit evaluation and regulatory oversight as are members of exchange-based markets, and, therefore, OTC derivatives generally expose a Fund to greater counterparty risk than exchange-traded derivatives. A Fund is subject to the risk that a counterparty will not settle a derivative in accordance with its terms because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem. If a counterparty's obligation to a Fund is not collateralized, then the Fund is essentially an unsecured creditor of the counterparty. If a counterparty defaults, the Fund will have contractual remedies (whether or not the obligation is collateralized), but the Fund may be unable to enforce them, thus causing the Fund to suffer a loss. Counterparty risk is greater for derivatives with longer maturities because of the longer time during which events may occur that prevent settlement. Counterparty risk also is greater when a Fund has entered into derivatives contracts with a single or small group of counterparties as it sometimes does as a result of its use of swaps and other OTC derivatives. Funds that use swap contracts are subject, in particular, to the creditworthiness of the counterparties because some types of swap contracts have terms longer than six months (and, in some cases, decades). The creditworthiness of a counterparty may be adversely affected by greater than average volatility in the markets, even if the counterparty's net market exposure is small relative to its capital. Counterparty risk still exists even if a counterparty's obligations are secured by collateral because the Fund's interest in the collateral may not be perfected or additional collateral may not be promptly posted as required. GMO's view with respect to a particular counterparty is subject to change. The fact, however, that it changes adversely (whether due to external events or otherwise) does not mean that a Fund's existing transactions with that counterparty will necessarily be terminated or modified. In addition, a Fund may enter into new transactions with a counterparty that GMO no longer considers a desirable counterparty if the transaction is primarily designed to reduce the Fund's overall risk of potential exposure to that counterparty (for example, re-establishing the transaction with a lower notional amount or entering into a countervailing trade with the same counterparty). Counterparty risk also will be greater if a counterparty's obligations exceed the value of collateral held by the Fund (if any).

The Funds also are subject to counterparty risk because they execute their securities transactions through brokers and dealers. If a broker or dealer fails to meet its contractual obligations, goes bankrupt, or otherwise experiences a business interruption, the Funds could miss investment opportunities or be unable to dispose of investments they would prefer to sell, resulting in losses for the Funds. Counterparty risk with respect to derivatives has been and will continue to be affected by new rules and regulations relating to the derivatives market. As described under "Derivatives and Short Sales Risk," some derivatives transactions are required to be centrally cleared, and a party to a cleared derivatives transaction is subject to the credit risk of the clearing house and the clearing member through which it holds its cleared position. Credit risk of market participants with respect to derivatives that are centrally cleared is concentrated in a few clearing houses, and it is not clear how an insolvency proceeding of a clearing house would be conducted and what impact an insolvency of a clearing house would have on the financial system. Also, in the event of a counterparty's (or its affiliate's) insolvency, the possibility exists that the Funds' ability to exercise remedies, such as the termination of transactions, netting of obligations or realization on collateral, could be stayed or eliminated under new special resolution regimes adopted in the United States, the European Union and various other jurisdictions. Such regimes provide governmental authorities with broad authority to intervene when a financial institution is experiencing financial difficulty. In particular, in the European Union, governmental authorities could reduce, eliminate, or convert to equity the liabilities to the Funds of a counterparty experiencing financial difficulties (sometimes referred to as a "bail in").

• **CREDIT RISK.** This is the risk that the issuer or guarantor of a fixed income investment or the obligor of an obligation underlying an asset-backed security will be unable or unwilling to satisfy its obligation to pay principal and interest or otherwise to honor its obligations in a timely manner. The market price of a fixed income investment will normally decline as a result of the issuer's, guarantor's, or obligor's failure to meet its payment obligations, or in anticipation of such failure, or a downgrading of the credit rating of the investment. This risk is particularly acute in environments in which financial services firms are exposed (as they were in 2008) to systemic risks of the type evidenced by the insolvency of Lehman Brothers and subsequent market disruptions. Fixed income investments are also subject to illiquidity risk. See "Illiquidity Risk."

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All fixed income investments are subject to credit risk. Financial strength and solvency of an issuer are the primary factors influencing credit risk. The risk varies depending upon whether the issuer is a corporation, a government or government entity, whether the particular security has a priority over other obligations of the issuer in payment of principal and interest and whether it has any collateral backing or credit enhancement. Credit risk may change over the term of a fixed income investment. U.S. government securities are subject to varying degrees of credit risk depending upon whether the securities are supported by the full faith and credit of the United States, supported by the ability to borrow from the U.S. Treasury, supported only by the credit of the issuing U.S. government agency, instrumentality, or corporation, or otherwise supported by the United States. For example, issuers of many types of U.S. government securities (e.g., the Federal Home Loan Mortgage Corporation (“Freddie Mac”), Federal National Mortgage Association (“Fannie Mae”), and Federal Home Loan Banks), although chartered or sponsored by Congress, are not funded by Congressional appropriations and their fixed income securities, including mortgage-backed and other asset-backed securities, are neither guaranteed nor insured by the U.S. government. These securities are subject to more credit risk than U.S. government securities that are supported by the full faith and credit of the United States (e.g., U.S. Treasury bonds). Investments in sovereign or quasi-sovereign debt involve the risk that the governmental entities responsible for repayment may be unable or unwilling to pay interest and repay principal when due. A governmental entity’s ability and willingness to pay interest and repay principal in a timely manner may be affected by a variety of factors, including its cash flow, the size of its reserves, its access to foreign exchange, the relative size of its debt service burden to its economy as a whole, and political constraints. Investments in quasi-sovereign issuers are subject to the additional risk that the issuer may default independently of its sovereign. Sovereign debt risk is greater for fixed income securities issued or guaranteed by emerging countries.

In many cases, the credit risk and market price of a fixed income investment are reflected in its credit ratings, and a Fund holding a rated investment is subject to the risk that the investment’s rating will be downgraded, resulting in a decrease in the market price of the fixed income investment.

Securities issued by the U.S. government historically have presented minimal credit risk. However, events in 2011 led to a downgrade in the long-term credit rating of U.S. bonds by several major rating agencies and introduced greater uncertainty about the repayment by the United States of its obligations. A further credit rating downgrade could decrease, and a default in the payment of principal or interest on U.S. government securities would decrease the market price of a Fund’s investments and increase the volatility of a Fund’s portfolio.

Asset-backed securities may be backed by many types of assets and their payment of interest and repayment of principal largely depend on the cash flows generated by the assets backing them. The obligations of issuers also may be subject to bankruptcy, insolvency and other laws affecting the rights and remedies of creditors. A Fund also is exposed to credit risk on a reference security to the extent it writes protection under credit default swaps. See “Derivatives and Short Sales Risk” for more information regarding risks associated with the use of credit default swaps.

The extent to which the market price of a fixed income investment changes in response to a credit event depends on many factors and can be difficult to predict. For example, even though the effective duration of a long-term floating rate security is very short, an adverse credit event or change in the perceived creditworthiness of its issuer could cause its market price to decline much more than its effective duration would suggest.

Credit risk is particularly pronounced for below investment grade investments (commonly referred to as “junk bonds”). The sovereign debt of many non-U.S. governments, including their sub-divisions and instrumentalities, is below investment grade. Many asset-backed securities also are below investment grade. Below investment grade investments have speculative characteristics, often are less liquid than higher quality investments, present a greater risk of default and are more susceptible to real or perceived adverse industry conditions. Investments in distressed or defaulted or other low quality debt investments generally are considered speculative and may involve substantial risks not normally associated with investments in higher quality investments, including adverse business, financial or economic conditions that lead to payment defaults and insolvency proceedings on the part of their issuers. In particular, distressed or defaulted obligations might be repaid, if at all, only after lengthy workout or bankruptcy proceedings, during which the issuer does not make any interest or other payments and a Fund incurs additional expenses in seeking recovery. If GMO’s assessment of the eventual recovery value of a distressed or defaulted debt investment proves incorrect, a Fund may lose a substantial portion or all of its investment or may be required to accept cash or instruments worth less than its original investment. In the event of default of sovereign debt, the Funds may be unable to pursue legal action against the issuer.

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• **CURRENCY RISK.** Currency risk is the risk that fluctuations in exchange rates will adversely affect the market value of a Fund's investments. Currency risk includes the risk that the currencies in which a Fund's investments are traded, in which a Fund receives income, or in which a Fund has taken a position will decline in value. Currency risk also includes the risk that the currency to which the Fund has obtained exposure through hedging declines in value relative to the currency being hedged, in which event the Fund may realize a loss on both the hedging instrument and the currency being hedged. Currency exchange rates can fluctuate significantly for many reasons. See "Market Disruption and Geopolitical Risk."

Many of the Funds use derivatives to take currency positions that are under- or over-weighted (in some cases significantly) relative to the currency exposure of their portfolios and their benchmarks. If the exchange rates of the currencies involved do not move as expected, a Fund could lose money on both its holdings of a particular currency and the derivative. See also "Non-U.S. Investment Risk."

Some currencies are illiquid (e.g., some emerging country currencies), and a Fund may not be able to convert them into U.S. dollars, in which case a Fund may have to purchase U.S. dollars at an unfavorable exchange rate. Exchange rates for many currencies (e.g., some emerging country currencies) are affected by exchange control regulations.

Derivative transactions in foreign currencies (such as futures, forwards, options and swaps) may involve leveraging risk in addition to currency risk, as described under "Leveraging Risk." In addition, the obligations of counterparties in currency derivative transactions are often not secured by collateral, which increases counterparty risk (see "Counterparty Risk").

• **DERIVATIVES AND SHORT SALES RISK.** All of the Funds may invest in derivatives, which are financial contracts whose value depends on, or is derived from, the value of underlying assets, such as securities, commodities or currencies, reference rates, such as interest rates, currency exchange rates, or inflation rates, or indices. Derivatives involve the risk that their value may not change as expected relative to changes in the value of the assets, rates, or indices they are designed to track. Derivatives include futures contracts, forward contracts, foreign currency contracts, swap contracts, contracts for differences, options on securities and indices, options on futures contracts, options on swap contracts, interest rate caps, floors and collars, reverse repurchase agreements, and other OTC contracts.

The use of derivatives involves risks that are in addition to, and potentially greater than, the risks of investing directly in securities and other more traditional assets. In particular, a Fund's use of OTC derivatives exposes it to the risk that the counterparties will be unable or unwilling to make timely settlement payments or otherwise honor their obligations. An OTC derivatives contract typically can be closed, or the position transferred, only with the consent of the other party to the contract. If the counterparty defaults, the Fund will still have contractual remedies but may not be able to enforce them. Because the contract for each OTC derivative is individually negotiated, the counterparty may interpret contractual terms (e.g., the definition of default) differently than the Fund, and if it does, the Fund may decide not to pursue its claims against the counterparty to avoid the cost and unpredictability of legal proceedings. The Fund, therefore, may be unable to obtain payments GMO believes are owed to it under OTC derivatives contracts, or those payments may be delayed or made only after the Fund has incurred the cost of litigation.

A Fund may invest in derivatives that (i) do not require the counterparty to post collateral (e.g., foreign currency forwards), (ii) require collateral but that do not provide for the Fund's security interest in it to be perfected, (iii) require a significant upfront deposit by the Fund unrelated to the derivative's fundamental fair (or intrinsic) value, or (iv) do not require that collateral be regularly marked-to-market. When a counterparty's obligations are not fully secured by collateral, a Fund runs a greater risk of not being able to recover what it is owed if the counterparty defaults. Even when derivatives are required by contract to be collateralized, a Fund typically will not receive the collateral for one or more days after the exposure arises.

Derivatives also present other risks described in this section, including market risk, illiquidity risk, currency risk, credit risk, and counterparty risk.

Many derivatives, in particular OTC derivatives, are complex and their valuation often requires modeling and judgment, which increases the risk of mispricing or improper valuation. The pricing models used may not produce valuations that are consistent with the values a Fund realizes when it closes or sells an OTC derivative. Valuation risk is more pronounced when a Fund enters into OTC derivatives with specialized terms because the value of those derivatives in some cases is determined only by reference to similar derivatives with more standardized terms. As a result, incorrect valuations may result in increased cash payments to counterparties, under-collateralization and/or errors in the calculation of a Fund's net asset value.



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A Fund's use of derivatives may not be effective or have the desired results. Moreover, suitable derivatives will not be available in all circumstances. For example, the cost of taking some derivative positions may be prohibitive, and if a counterparty or its affiliate is deemed to be an affiliate of a Fund, the Funds will not be permitted to trade with that counterparty.

Swap contracts and other OTC derivatives are highly susceptible to illiquidity risk (see "Illiquidity Risk") and counterparty risk (see "Counterparty Risk"). These derivatives are also subject to documentation risk, which is the risk that ambiguities, inconsistencies or errors in the documentation relating to a derivative transaction may lead to a dispute with the counterparty or unintended investment results. In addition, see "Commodities Risk" for a discussion of risks specific to commodity-related derivatives. Because many derivatives have a leverage component (i.e., a notional value in excess of the assets needed to establish and/or maintain the derivative position), adverse changes in the value or level of the underlying asset, rate or index may result in a loss substantially greater than the amount invested in the derivative itself. See "Leveraging Risk."

A Fund's use of derivatives may be subject to special tax rules and could generate additional taxable income for shareholders. In addition, the tax treatment of a Fund's use of derivatives will sometimes be unclear. In addition, the SEC has proposed a rule under the 1940 Act, regulating the use by registered investment companies of derivatives and many related instruments. That rule, if adopted as proposed, would, among other things, restrict a Fund's ability to engage in derivatives transactions or so increase the cost of derivatives transactions that a Fund would be unable to implement its investment strategy.

**Derivatives Regulation.** The U.S. government has enacted legislation that provides for new regulation of the derivatives market, including clearing, margin, reporting, and registration requirements. The European Union (and some other countries) have adopted similar requirements, which affect a Fund when it enters into a derivatives transaction with a counterparty subject to those requirements. Because these requirements are new and evolving (and some of the rules are not yet final), their impact on the Funds remains unclear.

Transactions in some types of swaps (including interest rate swaps and credit default swaps on North American and European indices) are required to be centrally cleared. In a transaction involving those swaps ("cleared derivatives"), a Fund's counterparty is a clearing house, rather than a bank or broker. Since the Funds are not members of clearing houses and only members of a clearing house ("clearing members") can participate directly in the clearing house, the Funds hold cleared derivatives through accounts at clearing members. In cleared derivatives positions, the Funds make payments (including margin payments) to and receive payments from a clearing house through their accounts at clearing members. Clearing members guarantee performance of their clients' obligations to the clearing house.

In some ways, cleared derivative arrangements are less favorable to mutual funds than bilateral arrangements, for example, by requiring that funds provide more margin for their cleared derivatives positions. Also, as a general matter, in contrast to a bilateral derivatives position, following a period of notice to a Fund, a clearing member at any time can require termination of an existing cleared derivatives position or an increase in the margin required at the outset of a transaction. Clearing houses also have broad rights to increase the margin required for existing positions or to terminate those positions at any time. Any increase in margin requirements or termination of existing cleared derivatives positions by the clearing member or the clearing house could interfere with the ability of a Fund to pursue its investment strategy. Further, any increase in margin requirements by a clearing member could expose a Fund to greater credit risk to its clearing member because margin for cleared derivatives positions in excess of a clearing house's margin requirements typically is held by the clearing member (see "Counterparty Risk"). Also, a Fund is subject to risk if it enters into a derivatives transaction that is required to be cleared (or that GMO expects to be cleared), and no clearing member is willing or able to clear the transaction on the Fund's behalf. While the documentation in place between the Funds and their clearing members generally provides that the clearing members will accept for clearing all cleared derivatives transactions that are within credit limits (specified in advance) for each Fund, the Funds are still subject to the risk that no clearing member will be willing or able to clear a transaction. In those cases, the position might have to be terminated, and the Fund could lose some or all of the benefit of the position, including loss of an increase in the value of the position and loss of hedging protection. In addition, the documentation governing the relationship between the Funds and clearing members is drafted by the clearing members and generally is less favorable to the Funds than the documentation for typical bilateral derivatives. For example, documentation relating to cleared derivatives generally includes a one-way indemnity by the Funds in favor of the clearing member for losses the clearing member incurs as the Funds' clearing member. Also, such documentation typically does not provide the Funds any remedies if the clearing member defaults or becomes insolvent. While futures contracts entail similar risks, the risks may be more pronounced for cleared derivatives due to their more limited liquidity and market history.

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Some types of cleared derivatives are required to be executed on an exchange or on a swap execution facility. A swap execution facility is a trading platform where multiple market participants can execute derivatives by accepting bids and offers made by multiple other participants in the platform. While this execution requirement is designed to increase transparency and liquidity in the cleared derivatives market, trading on a swap execution facility can create additional costs and risks for the Funds. For example, swap execution facilities typically charge fees, and if a Fund executes derivatives on a swap execution facility through a broker intermediary, the intermediary may impose fees as well. Also, a Fund may be required to indemnify a swap execution facility, or a broker intermediary who executes cleared derivatives on a swap execution facility on the Fund's behalf, against any losses or costs that may be incurred as a result of the Fund's transactions on the swap execution facility.

If a Fund wishes to execute a package of transactions that include a swap that is required to be executed on a swap execution facility as well as other transactions (for example, a transaction that includes both a security and an interest rate swap that hedges interest rate exposure with respect to such security), the Fund may be unable to execute all components of the package on the swap execution facility. In that case, the Fund would need to trade some components of the package on the swap execution facility and other components in another manner, which could subject the Fund to the risk that some components would be executed successfully and others would not, or that the components would be executed at different times, leaving the Fund with an unhedged position for a period of time.

The U.S. government and the European Union have adopted mandatory minimum margin requirements for bilateral derivatives. New variation margin requirements became effective in March 2017 and new initial margin requirements will become effective in 2020. Such requirements could increase the amount of margin a Fund needs to provide in connection with its derivatives transactions and, therefore, make derivatives transactions more expensive.

These and other new rules and regulations could, among other things, further restrict a Fund's ability to engage in, or increase the cost to the Fund of, derivatives transactions, for example, by making some types of derivatives no longer available to the Fund or otherwise limiting liquidity. The implementation of the clearing requirement has increased the cost of derivatives transactions for the Funds, since the Funds have to pay fees to their clearing members and are typically required to post more margin for cleared derivatives than they historically posted for bilateral derivatives. The cost of derivatives transactions is expected to increase further as clearing members raise their fees to cover the cost of additional capital requirements and other regulatory changes applicable to the clearing members. These rules and regulations are new and evolving, and, therefore, their potential impact on the Funds and the financial system are not yet known. While the new rules and regulations and central clearing of some derivatives transactions are designed to reduce systemic risk (i.e., the risk that the interdependence of large derivatives dealers could cause them to suffer liquidity, solvency or other challenges simultaneously), there is no assurance that they will achieve that result, and in the meantime, as noted above, central clearing and related requirements expose the Funds to new kinds of costs and risks.

**Options.** The Funds, particularly Risk Premium Fund, are permitted to write options. The market price of an option is affected by many factors, including changes in the market prices or dividend rates of underlying securities (or in the case of indices, the securities in such indices); the time remaining before expiration; changes in interest rates or exchange rates; and changes in the actual or perceived volatility of the relevant stock market and underlying securities. The market price of an option also may be adversely affected if the market for the option becomes less liquid. In addition, since an American-style option allows the holder to exercise its rights any time before the option's expiration, the writer of an American-style option has no control over when it will be required to fulfill its obligations as a writer of the option. (The writer of a European-style option is not subject to this risk because the holder may only exercise the option on its expiration date.) If a Fund writes a call option and does not hold the underlying security or instrument, the Fund's potential loss is theoretically unlimited.

National securities exchanges generally have established limits on the maximum number of options an investor or group of investors acting in concert may write. A Fund, GMO, and other funds advised by GMO likely constitute such a group. When applicable, these limits restrict a Fund's ability to purchase or write options on a particular security.

Unlike exchange-traded options, which are standardized with respect to the underlying instrument, expiration date, contract size, and strike price, the terms of OTC options (i.e., options not traded on exchanges) generally are established through negotiation with the other party to the option contract. While a Fund has greater flexibility to tailor an OTC option, OTC options generally expose a Fund to greater credit risk than exchange-traded options, which are guaranteed by the clearing organization of the exchanges where they are traded. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary market risks.

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Special tax rules apply to a Fund's transactions in options, which could increase the taxes payable by shareholders subject to U.S. income taxation. In particular, a Fund's options transactions potentially could cause a substantial portion of the Fund's distributions to be taxable at ordinary income tax rates. See the Funds' Prospectus and Statement of Additional Information for more information.

**Short Investment Exposure.** Some Funds may sell securities or currencies short as part of their investment programs in an attempt to increase their returns or for hedging purposes. Short sales expose a Fund to the risk that it will be required to acquire, convert, or exchange a security or currency to replace the borrowed security or currency when the security or currency sold short has appreciated in value, thus resulting in a loss to the Fund. Purchasing a security or currency to close out a short position can itself cause the price of the security or currency to rise further, thereby exacerbating any losses. A Fund that sells short a security or currency it does not own typically pays borrowing fees to a broker and is required to pay the broker any dividends or interest it receives on a borrowed security.

A Fund also may create short investment exposure by taking a derivative position in which the value of the derivative moves in the opposite direction from the price of an underlying investment, pool of investments, index or currency.

Short sales of securities or currencies a Fund does not own and "short" derivative positions involve forms of investment leverage, and the amount of the Fund's potential loss is theoretically unlimited. A Fund is subject to increased leveraging risk and other investment risks described in this "Investment and other risks" section to the extent it sells short securities or currencies it does not own or takes "short" derivative positions.

• **FOCUSED INVESTMENT RISK.** Funds with investments that are focused in particular countries, regions, sectors, industries or issuers that are subject to the same or similar risk factors and funds with investments whose prices are closely correlated are subject to greater overall risk than funds with investments that are more diversified or whose prices are not as closely correlated.

A Fund that invests in the securities of a small number of issuers has greater exposure to adverse developments affecting those issuers and to a decline in the market price of those issuers' securities than Funds investing in the securities of a larger number of issuers. Securities, sectors, or companies that share common characteristics are often subject to similar business risks and regulatory burdens, and often react similarly to specific economic, market, political or other developments.

Similarly, Funds having a significant portion of their assets in investments tied economically (or related) to a particular geographic region, country (e.g., Taiwan or Japan), or market (e.g., emerging markets), or to sectors within a region, country, or market (e.g., Russian oil) have more exposure to regional and country economic risks than funds making investments throughout the world. The political and economic prospects of one country or group of countries within the same geographic region may affect other countries in that region, and a recession, debt crisis or decline in the value of the currency of one country can spread to other countries. Furthermore, companies in a particular geographic region or country are vulnerable to events affecting other companies in that region or country because they often share common characteristics, are exposed to similar business risks and regulatory burdens, and react similarly to specific economic, market, political or other developments. See also "Non-U.S. Investment Risk".

Because Resources Fund concentrates its investments in the natural resources sector, it is particularly exposed to adverse developments, including adverse price movements, affecting issuers in the natural resources sector and is subject to greater risks than a fund that invests in a wider range of industries. In addition, the market prices of securities of companies in the natural resources sector are often more volatile (particularly in the short term) than those of securities of companies in other industries. Some of the commodities used as raw materials or produced by these companies are subject to broad price fluctuations as a result of industry-wide supply and demand factors. Companies in the natural resources sector often have limited pricing power over the supplies they purchase and the products they sell, which can affect their profitability, and are often capital-intensive and use significant amounts of leverage. Projects in the natural resources sector may take extended periods of time to complete, and companies cannot ensure that the market will be favorable at the time the project begins production. Companies in the natural resources sector also may be subject to special risks associated with natural or man-made disasters. In addition, companies in the natural resources sector can be especially affected by political and economic developments, government regulations including changes in tax law or interpretations of law, energy conservation, and the success of exploration projects. Specifically, companies in the natural resources sector can be significantly affected by import controls, worldwide competition and cartels, and changes in consumer sentiment and spending, and can be subject to liability for, among other things, environmental damage, depletion of resources, and mandated expenditures for safety and pollution control. Resources Fund's concentration in the securities of natural resource companies exposes it to the price movements of natural resources to a greater extent than if it were more broadly diversified. Because Resources Fund invests primarily in the natural resources sector, it runs the risk of performing poorly during an economic downturn or a decline in demand for natural resources.

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Because Climate Change Fund focuses its investments in securities of companies involved in climate change-related industries, it will be more susceptible to events or factors affecting these companies, and the market prices of its portfolio securities may be more volatile than those of mutual funds that are more diversified. Climate Change Fund is particularly exposed to such factors as changes in global and regional climates, environmental protection regulatory actions, changes in government standards and subsidy levels, changes in taxation and other domestic and international political, regulatory and economic developments (such as potential cut-backs on funding for the Environmental Protection Agency and other policies and actions by the Trump administration). Companies involved in alternative fuels also may be adversely affected by the increased use of, or decreases in prices for, oil or other fossil fuels. In addition, scientific developments, such as breakthroughs in the remediation of global warming or changes in governmental policies relating to the effects of pollution may affect investments in pollution control, which could in turn affect these companies. Such companies also may be significantly affected by the level or pace of technological change in industries focusing on energy, pollution control and mitigation of global warming. Because society's focus on climate change issues is relatively new, the emphasis and direction of governmental policies is subject to significant change, and rapid technological change could render even new approaches and products obsolete. Some companies involved in climate change-related industries are in the early stages of operation and have limited operating histories and smaller market capitalizations on average than companies in other sectors. As a result of these and other factors, the market prices of securities of companies involved in climate change-related industries tend to be considerably more volatile than those of companies in more established sectors and industries.

Because Risk Premium Fund can have substantial exposure through a limited number of options contracts and because the Fund's exposures may relate to relatively few stock indices, the Fund is subject to focused investment risk.

• **FUND OF FUNDS RISK.** Funds that invest in Underlying Funds (including underlying GMO Funds) are exposed to the risk that the Underlying Funds will not perform as expected. The Funds also are indirectly exposed to all of the risks to which the Underlying Funds are exposed.

Absent reimbursement, a Fund bears the fees and expenses of an Underlying Fund (including purchase premiums and redemption fees, if any) in which it invests, and the Fund will incur additional expenses when investing in an Underlying Fund. In addition, total Fund expenses will increase if a Fund makes a new or further investment in Underlying Funds with higher fees or expenses than the average fees and expenses of the Underlying Funds then in the Fund's portfolio.

In addition, to the extent a Fund invests in shares of underlying GMO Funds, it is indirectly subject to Large Shareholder Risk because those underlying GMO Funds are more likely to have large shareholders (e.g., other GMO Funds). See "Large Shareholder Risk."

At any particular time, one Underlying Fund may be purchasing securities of an issuer whose securities are being sold by another Underlying Fund, resulting in a Fund that holds each Underlying Fund indirectly incurring the costs associated with the two transactions without changing its exposure to those securities.

Investments in ETFs involve the risk that an ETF's performance may not track the performance of the index it is designed to track. In addition, ETFs often use derivatives to track the performance of an index, and, therefore, investments in those ETFs are subject to the same derivatives risks discussed in "Derivatives and Short Sales Risk."

A Fund's investments in one or more Underlying Funds could affect the amount, timing and character of its distributions and could cause the Fund to recognize taxable income in excess of the cash generated by such investments, requiring the Fund in turn to liquidate investments at disadvantageous times to generate cash needed to make required distributions.

• **ILLIQUIDITY RISK.** Illiquidity risk is the risk that low trading volume, lack of a market maker, large position size, or legal restrictions (including daily price fluctuation limits or "circuit breakers") limits, delays or prevents a Fund from selling particular securities or closing derivative positions at desirable prices. In addition to these risks, a Fund is exposed to illiquidity risk when it has an obligation to purchase particular securities (e.g., as a result of entering into reverse repurchase agreements, writing a put, or closing a short position). To the extent a Fund's investments include asset-backed securities, distressed, defaulted or other low quality debt securities, emerging country debt securities, securities of companies with smaller market capitalizations or smaller total float adjusted market capitalizations, or emerging market securities, it is subject to increased illiquidity risk. These types of investments can be difficult to value, exposing a Fund to the risk that the price at which it sells them will be less than the price at which they were valued when held by the Fund. Illiquidity risk also may be greater in times of financial stress. For example, Inflation-Protected Securities issued by the U.S. Treasury ("TIPS") have experienced periods of greatly reduced liquidity during disruptions in fixed income

## GMO Trust Funds

### Notes to Financial Statements — (Continued) February 28, 2018

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markets, such as the events surrounding the bankruptcy of Lehman Brothers in 2008. Less liquid securities are more susceptible than other securities to price declines when market prices decline generally.

A Fund may buy securities that are less liquid than those in its benchmark. The degree to which a Fund's securities are illiquid may affect the likelihood of its paying redemption proceeds in-kind.

In recent years, the credit markets have experienced periods characterized by a significant lack of liquidity, and they may experience similar periods in the future. A lack of liquidity could require a Fund to sell securities to satisfy collateral posting requirements and meet redemptions, which could, in turn, create downward price pressure on the securities being sold.

A Fund's, and particularly Risk Premium Fund's, ability to use options as part of its investment program depends on the liquidity of the options market. That market may not be liquid when a Fund seeks to close out an option position, and the hours of trading for options on an exchange may not conform to the hours during which the underlying securities are traded. To the extent that the options markets close before the markets for the underlying securities, significant price and rate movements can take place in the markets for those securities that are not immediately reflected in the options markets. If a Fund receives a redemption request and is unable to close out an option it has sold, the Fund may temporarily be leveraged in relation to its assets.

• **LARGE SHAREHOLDER RISK.** To the extent a large number of shares of a Fund is held by a single shareholder (e.g., an institutional investor or another GMO Fund) or a group of shareholders with a common investment strategy (e.g., GMO asset allocation accounts), the Fund is subject to the risk that a redemption by those shareholders of all or a large portion of their Fund shares will adversely affect the Fund's performance by forcing the Fund to sell portfolio securities, potentially at disadvantageous prices, to raise the cash needed to satisfy the redemption request. In addition, the Funds and other accounts over which GMO has investment discretion that invest in the Funds are not limited in how often they may sell Fund shares. The Asset Allocation Funds and separate accounts managed by GMO for its clients hold substantial percentages of the outstanding shares of many Funds, and asset allocation decisions by GMO may result in substantial redemptions from (or investments in) those Funds. These transactions may adversely affect the Fund's performance to the extent that the Fund is required to sell investments when it would not otherwise do so. Redemptions of a large number of shares also may increase transaction costs or, by necessitating a sale of portfolio securities, have adverse tax consequences for Fund shareholders. Further, from time to time a Fund may trade in anticipation of a purchase or redemption order that is not ultimately received or differs in size from the actual order, leading to temporary underexposure or overexposure to the Fund's intended investment program. Additionally, redemptions and purchases of shares by a large shareholder or group of shareholders potentially limit the use of any capital loss carryforwards to offset future realized capital gains (if any) and other losses that would otherwise reduce distributable net investment income. In addition, large shareholders may limit or prevent a Fund's use of equalization for U.S. federal tax purposes.

To the extent a Fund invests in other GMO Funds subject to large shareholder risk, the Fund is indirectly subject to this risk.

• **LEVERAGING RISK.** The use of traditional borrowing (including to meet redemption requests), reverse repurchase agreements and other derivatives and securities lending creates leverage (i.e., a Fund's investment exposures exceed its net asset value). Leverage increases a Fund's losses when the value of its investments (including derivatives) declines. Because many derivatives have a leverage component (i.e., a notional value in excess of the assets needed to establish or maintain the derivative position), adverse changes in the value or level of the underlying asset, rate or index may result in a loss substantially greater than the amount invested in the derivative itself. In the case of swaps, the risk of loss generally is related to a notional principal amount, even if the parties have not made any initial investment. Some derivatives have the potential for unlimited loss, regardless of the size of the initial investment. Similarly, a Fund's portfolio also will be leveraged if it exercises its right to delay payment on a redemption and can result in losses if the value of the Fund's assets changes between the time a redemption request is received or deemed to be received by a Fund (which in some cases may be the business day prior to actual receipt of the transaction activity by the Fund) and the time at which the Fund liquidates assets to meet redemption requests. Such a change in the value of a Fund's assets is more likely in the case of Funds managed from GMO's non-U.S. offices for which the time period between the NAV determination and corresponding liquidation of assets could be longer due to time zone differences and market schedules. In the case of redemptions representing a significant portion of a Fund's portfolio, the leverage effects described above can be significant and could expose a Fund and non-redeeming shareholders to material losses.

A Fund may manage some of its derivative positions by offsetting derivative positions against one another or against other assets. To the extent offsetting positions do not behave in relation to one another as expected, a Fund may perform as if it were leveraged.

## GMO Trust Funds

### Notes to Financial Statements — (Continued) February 28, 2018

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Some Funds are permitted to purchase securities on margin or to sell securities short, either of which creates leverage. To the extent the market prices of securities pledged to counterparties to secure a Fund's margin account or short sale decline, the Fund may be required to deposit additional funds with the counterparty or have the pledged securities liquidated to compensate for the decline.

• **MANAGEMENT AND OPERATIONAL RISK.** Each Fund is subject to management risk because it relies on GMO to achieve its investment objective. Each Fund runs the risk that GMO's investment techniques will fail to produce desired results and may cause the Fund to incur significant losses. GMO also may fail to use derivatives effectively, choosing to hedge or not to hedge positions at disadvantageous times. In the case of Tax-Managed International Equities Fund, GMO's tax-management strategies may be ineffective or limited by market conditions, the timing of cash flows into and out of the Fund, and current or future developments in tax legislation and regulation.

For many Funds, GMO uses quantitative models as part of its investment process. GMO's models may not accurately predict future market events. In addition, they use assumptions that can limit their effectiveness, and they rely on data that is subject to limitations (e.g., inaccuracies, staleness) that could adversely affect their predictive value. The Funds also run the risk that GMO's assessment of an investment (including a company's fundamental fair (or intrinsic) value) is wrong.

GMO relies on quantitative models in making investment decisions. The usefulness of GMO's models may be diminished by the faulty incorporation of mathematical models into computer code, by reliance on proprietary and third-party technology that includes errors, omissions, bugs, or viruses, and by the retrieval of limited or imperfect data for processing by the model. These risks are present in the ordinary course of business and are more likely to occur when GMO is making changes to its models. Any of these risks could adversely affect a Fund's performance.

There can be no assurance that key GMO personnel will continue to be employed by GMO. The loss of their services could have an adverse impact on GMO's ability to achieve the Funds' investment objectives.

The Funds also are subject to a risk of loss resulting from other services provided by GMO and other service providers, including pricing, administrative, accounting, tax, legal, custody, transfer agency, and other services. Operational risk includes the possibility of loss caused by inadequate procedures and controls, human error, and system failures by a service provider. For example, trading delays or errors could prevent a Fund from benefiting from potential investment gains or avoiding losses. In addition, a service provider may be unable to provide a net asset value ("NAV") for a Fund or share class on a timely basis. GMO is not contractually liable to the Funds for losses associated with operational risk absent its willful misfeasance, bad faith, gross negligence, or reckless disregard of its contractual obligations to provide services to the Funds. Other Fund service providers also have contractual limitations on their liability to the Funds for losses resulting from their errors.

The Funds and their service providers (including GMO) are susceptible to cyber-attacks and to technological malfunctions that may have effects similar to those of a cyber-attack. Cyber-attacks include, among others, stealing or corrupting data maintained online or digitally, preventing legitimate users from accessing information or services on a website, releasing confidential information without authorization, and causing operational disruption. Successful cyber-attacks against, or security breakdowns of, a Fund, GMO, a sub-adviser, or a custodian, transfer agent, or other service provider may adversely affect the Fund or its shareholders. For instance, cyber-attacks may interfere with the processing of shareholder transactions, affect a Fund's ability to calculate its net asset value, cause the release or misappropriation of private shareholder information or confidential Fund information, impede trading, cause reputational damage, and subject the Fund to regulatory fines, penalties or financial losses, reimbursement or other compensation costs, and additional compliance costs. While GMO has established business continuity plans and systems designed to prevent, detect and respond to cyber-attacks, such plans and systems are subject to inherent limitations. Similar types of cyber security risks also are present for issuers of securities in which the Funds invest, which could result in material adverse consequences for such issuers and a decline in the market price of their securities. Furthermore, as a result of cyber-attacks, technological disruptions, malfunctions, or failures, an exchange or market may close or issue trading halts on specific securities or the entire market, which may result in the Funds being unable, among other things, to buy or sell securities or accurately price their investments. The Funds cannot directly control cyber security plans and systems put in place by their service providers, the Funds' counterparties, issuers of securities in which the Funds invest, or securities markets and exchanges.

• **MARKET DISRUPTION AND GEOPOLITICAL RISK.** The Funds are subject to the risk that geopolitical and other events (e.g., wars and terrorism) will disrupt securities markets and adversely affect global economies and markets, thereby decreasing the value of the Funds' investments. Sudden or significant changes in the supply or prices of commodities or other economic inputs (e.g., the

## GMO Trust Funds

### Notes to Financial Statements — (Continued) February 28, 2018

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marked decline in oil prices that began in late 2014) may have material and unexpected effects on both global securities markets and individual countries, regions, sectors, companies, or industries, which could significantly reduce the value of a Fund's investments. Terrorism in the United States and around the world has increased geopolitical risk. The terrorist attacks on September 11, 2001 resulted in the closure of some U.S. securities markets for four days, and similar attacks are possible in the future. Securities markets may be susceptible to market manipulation or other fraudulent trading practices, which could disrupt their orderly functioning or reduce the prices of securities traded on them, including securities held by the Funds. Fraud and other deceptive practices committed by a company whose securities are held by a Fund undermine GMO's due diligence efforts and, when discovered, will likely cause a steep decline in the market price of those securities and thus negatively affect the value of the Fund's investments. In addition, when discovered, financial fraud may contribute to overall market volatility, which can negatively affect a Fund's investment program as well as the rates or indices underlying a Fund's investments.

While the U.S. government has always honored its credit obligations, a default by the U.S. government (as has been threatened in recent years) would be highly disruptive to the U.S. and global securities markets and could significantly reduce the value of the Funds' investments. Similarly, political events within the United States at times have resulted, and may in the future result, in a shutdown of government services, which could adversely affect the U.S. economy, decrease the value of many Fund investments, and increase uncertainty in or impair the operation of the U.S. or other securities markets. Uncertainty surrounding the sovereign debt of several European Union countries, as well as the continued existence of the European Union itself, has disrupted and may continue to disrupt markets in the United States and around the world. If a country changes its currency or if the European Union dissolves, the world's securities markets likely will be significantly disrupted. In June 2016, the United Kingdom approved a referendum to leave the European Union (commonly known as "Brexit"). A significant degree of uncertainty exists about the time frame for Brexit and whether it will have a negative impact on the United Kingdom, the European Union and/or the broader global economy.

War, terrorism, economic uncertainty, and related geopolitical events have led, and in the future may lead, to increased short-term market volatility and may have adverse long-term effects on U.S. and world economies and markets generally. Likewise, natural and environmental disasters, such as the earthquake and tsunami in Japan in early 2011, and systemic market dislocations of the kind surrounding the insolvency of Lehman Brothers in 2008, if repeated, would be highly disruptive to economies and markets, adversely affecting individual companies and industries, securities markets, interest rates, credit ratings, inflation, investor sentiment, and other factors affecting the value of the Funds' investments. During such market disruptions, the Funds' exposure to the risks described elsewhere in this "Investment and other risks" section will likely increase. Market disruptions, including sudden government interventions, can also prevent the Funds from implementing their investment programs and achieving their investment objectives. For example, a market disruption may adversely affect the orderly functioning of the securities markets and may cause the Funds' derivatives counterparties to discontinue offering derivatives on some underlying commodities, securities, reference rates, or indices, or to offer them on a more limited basis. To the extent a Fund has focused its investments in the stock index of a particular region, adverse geopolitical and other events in that region could have a disproportionate impact on the Fund.

• **MARKET RISK.** All of the Funds are subject to market risk, which is the risk that the market price of their holdings will decline. Market risks include:

**Equities** — Funds that invest in equities run the risk that the market price of an equity will decline. That decline may be attributable to factors affecting the issuer, such as poor performance by the issuer's management or reduced demand for its goods or services, or to factors affecting a particular industry, such as a decline in demand, labor or raw material shortages, or increased production costs. A decline also may result from general market conditions not specifically related to a company or industry, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. Equities generally have significant price volatility, and their market prices can decline in a rapid or unpredictable manner. If a Fund purchases an equity for what GMO believes is less than its fundamental fair (or intrinsic) value, the Fund runs the risk that the market price of the equity will not appreciate or will decline due to GMO's incorrect assessment of the equity's fundamental fair (or intrinsic) value. The market prices of equities trading at high multiples of current earnings often are more sensitive to changes in future earnings expectations than the market prices of equities trading at lower multiples.

Because of Risk Premium Fund's emphasis on selling put options on stock indices, GMO expects its net asset value to decline when those indices decline in value. Also, Risk Premium Fund's investment strategy of writing put options on stock indices can be expected to cause the Fund to underperform relative to those indices when the markets associated with those indices rise sharply because of the Fund's lack of exposure to the upside of those markets.

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### Notes to Financial Statements — (Continued) February 28, 2018

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**Fixed Income** — Funds that invest in fixed income investments (including bonds, notes, bills, synthetic debt instruments, and asset-backed securities) are subject to various market risks. The market price of a fixed income investment can decline due to market-related factors, including rising interest rates and widening credit spreads, or decreased liquidity stemming from the market's uncertainty about the value of a fixed income investment (or class of fixed income investments). In addition, the market price of fixed income investments with complex structures, such as asset-backed securities, and sovereign and quasi-sovereign debt instruments, can decline due to uncertainty about their credit quality and the reliability of their payment streams. Some fixed income investments also are subject to unscheduled prepayment, and a Fund may be unable to invest prepayments at as high a yield as was provided by the fixed income investment. When interest rates rise, these investments also may be repaid more slowly than anticipated, and the market price of the Fund's investment may decrease. During periods of economic uncertainty and change, the market price of a Fund's investments in below investment grade investments (commonly referred to as "junk bonds") may be particularly volatile. Often below investment grade investments are subject to greater sensitivity to interest rate and economic changes than higher rated investments and can be more difficult to value, exposing a Fund to the risk that the price at which it sells them will be less than the price at which they were valued when held by the Fund. See "Credit Risk" and "Illiquidity Risk" for more information about these risks.

A risk run by each Fund with a significant investment in fixed income investments is that an increase in prevailing interest rates will cause the market price of those securities to decline. The risk associated with increases in interest rates (also called "interest rate risk") is generally greater for Funds investing in fixed income investments with longer durations. In addition, in managing some Funds, GMO may seek to evaluate potential investments in part by considering the volatility of interest rates. The value of a Fund's investments may be significantly reduced if GMO's assessment proves incorrect.

The extent to which the market price of a fixed income investment changes with changes in interest rates is referred to as interest rate duration, which can be measured mathematically or empirically. A longer-maturity investment generally has longer interest rate duration because its fixed rate is locked in for a longer period of time. Floating-rate or adjustable-rate investments, however, generally have shorter interest rate durations because their interest rates are not fixed but rather float up and down as interest rates change. Conversely, inverse floating-rate investments have durations that move in the opposite direction from short-term interest rates and thus tend to underperform fixed rate investments when interest rates rise but outperform them when interest rates decline. Fixed income investments paying no interest, such as zero coupon and principal-only securities, are subject to additional interest rate risk.

The market price of inflation-indexed bonds (including TIPS) typically declines during periods of rising real interest rates (i.e., nominal interest rate minus inflation) and increases during periods of declining real interest rates. In some interest rate environments, such as when real interest rates are rising faster than nominal interest rates, the market price of inflation-indexed bonds may decline more than the price of non-inflation-indexed (or nominal) fixed income bonds with similar maturities.

Generally, when interest rates on short term U.S. Treasury obligations equal or approach zero, a Fund that invests a substantial portion of its assets in U.S. Treasury obligations, such as U.S. Treasury Fund, will have a negative return unless GMO waives or reduces its management fees.

Fixed income securities denominated in foreign currencies also are subject to currency risk. See "Currency Risk."

In response to government intervention, economic or market developments, or other factors, markets for fixed income investments may experience periods of high volatility, reduced liquidity or both. During those periods, a Fund could have unusually high shareholder redemptions, requiring it to generate cash by selling portfolio assets when it would otherwise not do so, including at unfavorable prices. Fixed income investments may be difficult to value during such periods. In recent years, central banks and governmental financial regulators, including the U.S. Federal Reserve, have kept interest rates historically low by purchasing bonds. Steps to curtail or "taper" such activities (such as recent indications from the U.S. Federal Reserve of its intent to do so) and other actions by central banks or regulators (such as intervention in foreign currency markets or currency controls) could have a material adverse effect on the Funds.

• **MERGER ARBITRAGE RISK.** Some Funds engage in transactions in which the Fund purchases securities at prices below the value of the consideration GMO expects the Fund to receive upon consummation of a proposed merger, exchange offer, tender offer, or other similar transaction ("merger arbitrage transactions"). The purchase price paid by the Fund may substantially exceed the market price of the securities before the announcement of the transaction.



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If a Fund engages in merger arbitrage and the merger later appears unlikely to be consummated or, in fact, is not consummated or is delayed, the market price of the securities purchased by the Fund is likely to decline sharply, resulting in losses to the Fund. The risk/reward payout of merger arbitrage strategies typically is asymmetric, with the losses in failed transactions often far exceeding the gains in successful transactions. A proposed merger can fail to be consummated for many reasons, including regulatory and antitrust restrictions, industry weakness, company specific events, failed financings, and general market declines.

Merger arbitrage strategies are subject to the risk of overall market movements, and a Fund may experience losses even if a transaction is consummated. A Fund's investments in derivatives or short sales of securities to hedge or otherwise adjust long or short investment exposure in connection with a merger arbitrage may not perform as GMO expected or may otherwise reduce the Fund's gains or increase its losses. Also, a Fund may be unable to hedge against market fluctuations or other risks. In addition, a Fund may sell securities short when GMO expects the Fund to receive the securities upon consummation of a transaction; if the Fund does not actually receive the securities, the Fund will have an unintended "naked" short position and may be required to cover its short position at a time when the securities sold short have appreciated in value, thus resulting in a loss. A Fund's merger arbitrage transactions could result in tax inefficiencies, including greater distributions of net investment income and net realized capital gains than otherwise would be the case.

• **NON-DIVERSIFIED FUNDS.** Some of the Funds are not "diversified" investment companies within the meaning of the 1940 Act. This means they are allowed to invest in the securities of relatively few issuers. As a result, they may be subject to greater credit, market and other risks, and poor performance by a single issuer may have a greater impact on their performance, than if they were "diversified."

The following Funds are not diversified investment companies within the meaning of the 1940 Act:

- Climate Change Fund
- Emerging Markets Fund
- Emerging Domestic Opportunities Fund• Quality Fund
- Resources Fund
- Risk Premium Fund
- Tax-Managed International Equities Fund

• **NON-U.S. INVESTMENT RISK.** Funds that invest in non-U.S. securities are subject to more risks than Funds that invest only in U.S. securities. Many non-U.S. securities markets include securities of only a small number of companies in a small number of industries. As a result, the market prices of securities traded on those markets often fluctuate more than those of U.S. securities. In addition, issuers of non-U.S. securities often are not subject to as much regulation as U.S. issuers, and the reporting, accounting, custody, and auditing standards to which those issuers are subject differ, in some cases significantly, from U.S. standards. Transactions in non-U.S. securities generally involve higher commission rates, transfer taxes and custodial costs. In addition, some countries limit a Fund's ability to profit from short-term trading (as defined in that country).

A Fund may be subject to non-U.S. taxation, including potentially on a retroactive basis, on (i) capital gains it realizes or dividends, interest, or other amounts it realizes or accrues in respect of non-U.S. investments; (ii) transactions in those investments; and (iii) repatriation of proceeds generated from the sale or other disposition of those investments. A Fund may seek a refund of taxes paid, but its efforts may not be successful, in which case the Fund will have incurred additional expenses for no benefit. A Fund's pursuit of such refunds may subject a Fund to various administrative and/or judicial proceedings. A Fund's decision to seek a refund is in its sole discretion, and, particularly in light of the cost involved, it may decide not to seek a refund, even if it is entitled to one. The outcome of a Fund's efforts to obtain a refund is inherently unpredictable. Accordingly, a refund is not typically reflected in a Fund's net asset value until it is received or until GMO is confident that the refund will be received. In some cases, the amount of a refund could be material to a Fund's net asset value. Absent a determination that a refund is collectible and free from significant contingencies, a refund is not reflected in a Fund's net asset value. See "Taxes, Non-U.S. Taxes" in the GMO Trust Statement of Additional Information for additional information.

For information on possible special Singapore tax consequences of an investment in the Funds, see the Funds' Prospectus and Statement of Additional Information.

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Investing in non-U.S. securities also exposes a Fund to the risk of nationalization, expropriation, or confiscatory taxation of assets of their issuers, government involvement in the economy or in the affairs of specific companies or industries (including wholly or partially state-owned enterprises), adverse changes in investment regulations, capital requirements or exchange controls (which may include suspension of the ability to transfer currency from a country), and adverse political and diplomatic developments, including the imposition of economic sanctions.

In some non-U.S. securities markets, custody arrangements for securities provide significantly less protection than custody arrangements in U.S. securities markets, and prevailing custody and trade settlement practices (e.g., the requirement to pay for securities prior to receipt) expose a Fund to credit and other risks it does not have in the United States. Fluctuations in foreign currency exchange rates also affect the market prices of a Fund's non-U.S. securities (see "Currency Risk").

The Funds need a license to invest directly in many non-U.S. securities markets. These licenses are often subject to limitations, including maximum investment amounts. Once a license is obtained, a Fund's ability to continue to invest directly is subject to the risk that the license will be terminated or suspended. If a license to invest in a particular market is terminated or suspended, to obtain exposure to that market the Fund will be required to purchase American Depositary Receipts, Global Depositary Receipts, shares of other funds that are licensed to invest directly, or derivative instruments. The receipt of a non-U.S. license by one of GMO's clients may preclude other clients, including a Fund, from obtaining a similar license and thus limits the Fund's investment opportunities. In addition, the activities of a GMO client could cause the suspension or revocation of a Fund's license and thereby limit the Fund's investment opportunities.

Funds that invest a significant portion of their assets in securities of issuers tied economically to emerging countries (or investments related to emerging markets) are subject to greater non-U.S. investment risk than Funds investing primarily in more developed non-U.S. countries (or markets). The risks of investing in those securities include: greater fluctuations in currency exchange rates; increased risk of default (by both government and private issuers); greater social, economic, and political uncertainty and instability (including the risk of war or natural disaster); increased risk of nationalization, expropriation, or other confiscation of assets of issuers of securities in a Fund's portfolio; greater governmental involvement in the economy or in the affairs of specific companies or industries (including wholly or partially state-owned enterprises); less governmental supervision and regulation of securities markets and participants in those markets; controls on investment, capital controls and limitations on repatriation of invested capital, dividends, interest and other income and on a Fund's ability to exchange local currencies for U.S. dollars; inability to purchase and sell investments or otherwise settle security or derivative transactions (i.e., a market freeze); unavailability of currency hedging techniques; differences in, or lack of, auditing and financial reporting standards and resulting unavailability of material information about issuers; slower clearance and settlement; difficulties in obtaining and enforcing legal judgments; and significantly smaller market capitalizations of issuers. In addition, the economies of emerging countries may depend predominantly on only a few industries or revenues from particular commodities.

• **SMALL COMPANY RISK.** Companies with smaller market capitalizations tend to have limited product lines, markets, or financial resources, lack the competitive strength of larger companies, have inexperienced managers or depend on a smaller group of key employees than larger companies. In addition, their securities often are less widely held and trade less frequently and in lesser quantities, and their market prices often fluctuate more, than the securities of companies with larger market capitalizations. Market risk and illiquidity risk are particularly pronounced for securities of these companies.

**Temporary Defensive Positions.** Temporary defensive positions are positions that are inconsistent with a Fund's principal investment strategies and are taken in response to adverse market, economic, political or other conditions. The Funds normally do not take temporary defensive positions. To the extent a Fund takes a temporary defensive position, or otherwise holds cash, cash equivalents, or high quality debt investments on a temporary basis, the Fund may not achieve its investment objective.

#### 4. Derivative financial instruments

Derivatives are financial contracts whose value depends on, or is derived from, the value of underlying assets, reference rates, or indices that are used to increase, decrease or adjust elements of the investment exposures of a Fund's portfolio. Derivatives may relate to securities, interest rates, currencies, currency exchange rates, inflation rates, commodities and indices, and include foreign currency contracts, swap contracts, reverse repurchase agreements, and other exchange-traded and OTC contracts.

## GMO Trust Funds

### Notes to Financial Statements — (Continued)

February 28, 2018

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The Funds may use derivatives to gain long investment exposure to securities or other assets. For example, a Fund may use derivatives instead of investing directly in equity securities, including using equity derivatives to maintain equity exposure when it holds cash by “equitizing” its cash balances using futures contracts or other types of derivatives. The Funds also may use currency derivatives (including forward currency contracts, futures contracts, swap contracts and options) to gain exposure to a given currency.

The Funds may use derivatives in an attempt to reduce their investment exposures (which may result in a reduction below zero). A Fund also may use currency derivatives in an attempt to reduce some aspect of the currency exposure in its portfolio. For these purposes, the Fund may use an instrument denominated in a different currency that GMO believes is highly correlated with the relevant currency.

The Funds may use derivatives in an attempt to adjust elements of their investment exposures to various securities, sectors, markets, indices, and currencies without actually having to sell existing investments or make new direct investments. For example, if a Fund holds a large proportion of stocks of companies in a particular sector and GMO believes that stocks of companies in another sector will outperform those stocks, the Fund might use a short futures contract on an appropriate index (to synthetically “sell” a portion of the Fund’s portfolio) in combination with a long futures contract on another index (to synthetically “buy” exposure to that index). In adjusting its investment exposures, a Fund also may use currency derivatives in an attempt to adjust its currency exposure, seeking currency exposure that is different (in some cases, significantly different) from the currencies in which its equities are traded.

The Funds may use derivatives to effect transactions intended as substitutes for securities lending.

The Funds may have investment exposures in excess of their net assets (i.e., they may be leveraged). While GMO expects that Risk Premium Fund’s option positions typically will be fully collateralized at the time when the Fund is selling them, from time to time the Fund may have investment exposures in excess of its net assets (i.e., it may be leveraged). For example, if Risk Premium Fund receives a redemption request and is unable to close out an option it had sold, the Fund may temporarily have gross investment exposures in excess of its net assets (i.e., the Fund will be leveraged) and therefore is subject to heightened risk of loss. Risk Premium Fund’s performance can depend substantially, if not primarily, on the performance of assets or indices underlying its derivatives even though it does not own those assets or indices.

A Fund’s foreign currency exposure may differ significantly from the currencies in which its equities are traded.

Certain derivatives transactions that may be used by the Funds, including certain interest rate swaps and certain credit default index swaps, are required to be transacted through a central clearing organization. The Funds hold cleared derivatives transactions, if any, through clearing members, who are members of derivatives clearing houses. Certain other derivatives, including futures and certain options, are transacted on exchanges. The Funds hold exchange-traded derivatives through clearing brokers that are typically members of the exchanges. In contrast to bilateral derivatives transactions, following a period of advance notice to the Fund, clearing brokers generally can require termination of existing cleared or exchange-traded derivatives transactions at any time and increases in margin above the margin that it required at the beginning of a transaction. Clearing houses and exchanges also have broad rights to increase margin requirements for existing transactions and to terminate transactions. Any such increase or termination could interfere with the ability of a Fund to pursue its investment strategy. Also, a Fund is subject to execution risk if it enters into a derivatives transaction that is required to be cleared (or that GMO expects to be cleared), and no clearing member is willing or able to clear the transaction on the Fund’s behalf. In that case, the transaction might have to be terminated, and the Fund could lose some or all of the benefit of any increase in the value of the transaction after the time of the transaction.

The use of derivatives involves risks that are in addition to, and potentially greater than, the risks associated with investing directly in securities and other more traditional assets. See “Investment and other risks” above for further information.

## GMO Trust Funds

### Notes to Financial Statements — (Continued) February 28, 2018

For Funds that held derivatives during the year ended February 28, 2018, the following table shows how the Fund used these derivatives (marked with an X):

Type of Derivative and Objective for Use	Climate Change Fund	Emerging Domestic Opportunities Fund	Emerging Markets Fund	Foreign Small Companies Fund	International Equity Fund	International Large/Mid Cap Equity Fund	Resources Fund	Risk Premium Fund	Tax-Managed International Equities Fund	U.S. Equity Allocation Fund
<b>Forward currency contracts</b>										
Adjust exposure to foreign currencies				X						
Hedge foreign currency exposure in the underlying funds' investments relative to the U.S. dollar		X								
<b>Futures contracts</b>										
Adjust exposure to certain securities markets		X	X	X	X	X			X	X
Maintain the diversity and liquidity of the portfolio				X	X	X			X	X
<b>Options (Written)</b>										
Substitute for direct equity investment								X		
<b>Swap contracts</b>										
Substitute for direct equity investment		X	X							
Achieve returns comparable to holding and lending a direct equity position		X	X							
<b>Rights and/or warrants</b>										
Received as a result of corporate actions	X	X	X		X	X	X		X	

#### Forward currency contracts

The Funds may enter into forward currency contracts, including forward cross currency contracts. A forward currency contract is an agreement between two parties to buy and sell a currency at a set price on a future date (or to pay or receive the amount of the change in relative values of the two currencies). The market price of a forward currency contract fluctuates with changes in forward currency exchange rates. The value of each of the Fund's forward currency contracts is marked-to-market daily using rates supplied by a quotation service and changes in value are recorded by each Fund as unrealized gains or losses. Realized gains or losses on the contracts are equal to the difference between the value of the contract at the time it was opened and the value at the time it was settled.

These contracts involve market risk in excess of the unrealized gain or loss. Forward currency contracts expose a Fund to the market risk of unfavorable movements in currency values and the risk that the counterparty will be unable or unwilling to meet the terms of the contracts. Most forward currency contracts are not collateralized. Forward currency contracts outstanding at the end of the year, if any, are listed in each applicable Fund's Schedule of Investments.

#### Futures contracts

The Funds may purchase and sell futures contracts. A futures contract is a contract that obligates the holder to buy or sell an asset at a predetermined delivery price at a specified time in the future. Some futures contracts are net (cash) settled. Upon entering into a futures contract, a Fund is required to deposit cash, U.S. government and agency obligations or other liquid assets with the futures clearing broker in accordance with the initial margin requirements of the broker or exchange. Futures contracts are generally valued at the settlement price established at the close of business each day by the board of trade or exchange on which they are traded (and if the futures are traded outside the U.S. and the market for such futures is closed prior to the close of the NYSE due to time zone differences, the values will be adjusted, to the extent practicable and available, based on inputs from an independent pricing service approved by the Trustees to reflect estimated valuation changes through the NYSE close). The value of each of the Fund's futures

## GMO Trust Funds

### Notes to Financial Statements — (Continued) February 28, 2018

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contracts is marked-to-market daily and an appropriate payable or receivable for the change in value (“variation margin”) is recorded by each Fund. The payable or receivable is settled on the following business day. Gains or losses are recognized but not accounted for as realized until the contracts expire or are closed. Futures contracts involve, to varying degrees, risk of loss in excess of the variation margin as recorded in the Statements of Assets and Liabilities. Under some circumstances, futures exchanges may establish daily limits on the amount that the price of a futures contract can vary from the previous day’s settlement price, thereby effectively preventing liquidation of unfavorable positions. Futures contracts expose the Funds to the risk that they may not be able to enter into a closing transaction due to an illiquid market. Futures contracts outstanding at the end of the year, if any, are listed in each applicable Fund’s Schedule of Investments.

#### Options

The Funds may purchase call and put options. A call option gives the holder the right to buy an asset; a put option gives the holder the right to sell an asset. “Quanto” options are cash-settled options in which the underlying asset (often an index) is denominated in a currency other than the currency in which the option is settled. By purchasing options a Fund alters its exposure to the underlying asset by, in the case of a call option, entitling it to purchase the underlying asset at a set price from the writer of the option and, in the case of a put option, entitling it to sell the underlying asset at a set price to the writer of the option. A Fund pays a premium for a purchased option. That premium, if any, which is disclosed in the Schedule of Investments, is subsequently reflected in the marked-to-market value of the option. The potential loss associated with purchasing put and call options is limited to the premium paid. Purchased option contracts outstanding at the end of the year, if any, are listed in each applicable Fund’s Schedule of Investments.

The Funds may write (i.e., sell) call and put options on futures, swaps (“swaptions”), securities or currencies they own or in which they may invest. Writing options alters a Fund’s exposure to the underlying asset by, in the case of a call option, obligating that Fund to sell the underlying asset at a set price to the option-holder and, in the case of a put option, obligating that Fund to purchase the underlying asset at a set price from the option-holder. In some cases (e.g., index options), settlement will be in cash, based on a formula price. When a Fund writes a call or put option, an amount equal to the premium received is recorded as a liability and is subsequently included in the marked-to-market value of the option. As a writer of an option, a Fund has no control over whether it will be required to sell (call) or purchase (put) the underlying asset and as a result bears the risk of an unfavorable change in the price of the asset underlying the option. In the event that a Fund writes call options without an offsetting exposure (e.g., call options on an asset that the Fund does not own), it bears an unlimited risk of loss if the price of the underlying asset increases during the term of the option. OTC options expose a Fund to the risk the Fund may not be able to enter into a closing transaction because of an illiquid market. Written option contracts outstanding at the end of the year, if any, are listed in each applicable Fund’s Schedule of Investments.

When an option contract is closed, that Fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed. Realized gains and losses on purchased options are included in realized gains and losses on investment securities. If a written call option is exercised, the premium originally received is recorded as an addition to sales proceeds. If a written put option is exercised, the premium originally received is recorded as a reduction in the cost of investments purchased. Gains and losses from the expiration or closing of written option contracts are separately disclosed in the Statements of Operations.

Exchange-traded options are valued at the last sale price, provided that price is between the closing bid and ask prices. If the last sale price is not within this range, then they will be valued at the closing bid price for long positions and the closing ask price for short positions (and if the market of the underlying reference security closes or the official closing time of the underlying index occurs prior to the close of the NYSE due to time zone differences, the values will be adjusted, to the extent practicable and available, based on inputs from an independent pricing service approved by the Trustees to reflect estimated valuation changes through the NYSE close). The Funds value OTC options using industry models and inputs provided by primary pricing sources.

#### Swap contracts

The Funds may directly or indirectly use various swap contracts, including, without limitation, swaps on securities and securities indices, total return swaps, interest rate swaps, credit default swaps, variance swaps, commodity swaps, inflation swaps, municipal swaps, dividend swaps, volatility swaps, correlation swaps and other types of available swaps. A swap contract is an agreement to exchange the return generated by one asset for the return generated by another asset. Some swap contracts are net settled. When entering into a swap contract and during the term of the transaction, a Fund and/or the swap counterparty may post or receive cash or securities as collateral.

## GMO Trust Funds

### Notes to Financial Statements — (Continued) February 28, 2018

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Initial upfront payments received or made upon entering into a swap contract are included in the fair market value of the swap. The Funds do not amortize upfront payments. Net periodic payments made or received to compensate for differences between the stated terms of the swap contract and prevailing market conditions (credit spreads, currency exchange rates, interest rates, and other relevant factors) are recorded as realized gains or losses in the Statements of Operations. A liquidation payment received or made at the termination of the swap contract is recorded as realized gain or loss in the Statements of Operations.

Interest rate swap contracts involve an exchange by the parties of their respective commitments to pay or rights to receive interest (e.g., an exchange of floating rate interest payments for fixed rate interest payments with respect to the notional amount of principal). Basis swaps are interest rate swaps that involve the exchange of two floating interest rate payments and may involve the exchange of two different currencies.

Total return swap contracts involve a commitment by one party to pay interest to the other party in exchange for a payment to it from the other party based on the return of a reference asset (e.g., a security, basket of securities, or futures contract), both based on notional amounts. To the extent the return of the reference asset exceeds or falls short of the interest payments, one party is entitled to receive a payment from or obligated to make a payment to the other party.

In a credit default swap contract, one party makes payments to another party in exchange for the right to receive a specified return (or to put a security) if a credit event (e.g., default or similar event) occurs with respect to a reference entity or entities. A seller of credit default protection receives periodic payments in return for its obligation to pay the principal amount of a debt security (or other agreed-upon value) to the other party upon the occurrence of a credit event. If no credit event occurs, the seller has no payment obligations so long as there is no early termination.

For credit default swap contracts on asset-backed securities, a credit event may be triggered by various occurrences, which may include an issuer's failure to pay interest or principal on a reference security, a breach of a material representation or covenant, an agreement by the holders of an asset-backed security to a maturity extension, or a write-down on the collateral underlying the security. For credit default swap contracts on corporate or sovereign issuers, a credit event may be triggered by such occurrences as the issuer's bankruptcy, failure to pay interest or principal, repudiation/moratorium and/or restructuring.

Variance swap contracts involve an agreement by two parties to exchange cash flows based on the measured variance (or square of volatility) of a specified underlying asset. One party agrees to exchange a "fixed rate" or strike price payment for the "floating rate" or realized price variance on the underlying asset with respect to the notional amount. At inception, the strike price chosen is generally fixed at a level such that the fair value of the swap is zero. As a result, no money changes hands at the initiation of the contract. At the expiration date, the amount payable by one party to the other is the difference between the realized price variance of the underlying asset and the strike price multiplied by the notional amount. A receiver of the realized price variance would be entitled to receive a payment when the realized price variance of the underlying asset is greater than the strike price and would be obligated to make a payment when that variance is less than the strike price. A payer of the realized price variance would be obligated to make a payment when the realized price variance of the underlying asset is greater than the strike price and would be entitled to receive a payment when that variance is less than the strike price. This type of agreement is essentially a forward contract on the future realized price variance of the underlying asset.

Generally, the Funds price their OTC swap contracts daily using industry standard models that may incorporate quotations from market makers or pricing vendors and record the change in value, if any, as unrealized gain or loss in the Statements of Operations. Gains or losses are realized upon the termination of the swap contracts or reset dates, as appropriate. Cleared swap contracts are valued using the quote (which may be based on a model) published by the relevant clearing house. If an updated quote for a cleared swap contract is not available by the time that a Fund calculates its net asset value on any business day, then that swap contract will generally be valued using an industry standard model, which may differ from the model used by the relevant clearing house.

The values assigned to swap contracts may differ significantly from the values realized upon termination, and the differences could be material. Entering into swap contracts involves counterparty credit, legal, and documentation risk that is generally not reflected in the value assigned to the swap contract. Such risks include the possibility that the counterparty defaults on its obligations to perform or disagrees as to the meaning of contractual terms, that a Fund has amounts on deposit in excess of amounts owed by that Fund, or that any collateral the other party posts is insufficient or not timely received by a Fund. Credit risk is particularly acute in economic environments in which financial services firms are exposed to systemic risks of the type evidenced by the insolvency of Lehman

## GMO Trust Funds

### Notes to Financial Statements — (Continued) February 28, 2018

Brothers in 2008 and subsequent market disruptions. Swap contracts outstanding at the end of the year, if any, are listed in each applicable Fund's Schedule of Investments.

#### Rights and warrants

The Funds may purchase or otherwise receive warrants or rights. Warrants and rights generally give the holder the right to receive, upon exercise, a security of the issuer at a set price. Funds typically use warrants and rights in a manner similar to their use of purchased options on securities, as described in the section entitled "Options" above. Risks associated with the use of warrants and rights are generally similar to risks associated with the use of purchased options. However, warrants and rights often do not have standardized terms, and may have longer maturities and may be less liquid than exchange-traded options. In addition, the terms of warrants or rights may limit a Fund's ability to exercise the warrants or rights at such times and in such quantities as the Fund would otherwise wish. Rights and/or warrants outstanding at the end of the year, if any, are listed in each applicable Fund's Schedule of Investments.

As provided by U.S. GAAP, the table below is based on market values or unrealized appreciation/(depreciation) rather than the notional amounts of derivatives. Changes to market values of reference asset(s) will tend to have a greater impact on the Funds (with correspondingly greater risk) the greater the notional amount. For further information on notional amounts, see the Schedule of Investments.

The following is a summary of the valuations of derivative instruments categorized by risk exposure.

#### The Effect of Derivative Instruments on the Statements of Assets and Liabilities as of February 28, 2018 and the Statements of Operations for the year ended February 28, 2018^:

The risks referenced in the tables below are not intended to be inclusive of all risks. Please see the "Investment and other risks" and "Portfolio valuation" sections for a further discussion of risks.

	Credit Contracts	Equity Contracts	Foreign Currency Contracts	Interest Rate Contracts	Other Contracts	Total
<b>Emerging Domestic Opportunities Fund</b>						
<b>Asset Derivatives</b>						
Investments, at value (rights and/or warrants)	\$ —	\$ 4,049,338	\$ —	\$ —	\$ —	\$ 4,049,338
Investments, at value (fully funded total return swaps) <sup>□</sup>	—	20,810,307	—	—	—	20,810,307
Unrealized Appreciation on Forward Currency Contracts	—	—	2,394,566	—	—	2,394,566
Unrealized Appreciation on Futures Contracts <sup>□</sup>	—	585,358	—	—	—	585,358
Total	\$ —	\$25,445,003	\$ 2,394,566	\$ —	\$ —	\$27,839,569
Derivatives not subject to Master Agreements	\$ —	\$ 4,049,338	\$ —	\$ —	\$ —	\$ 4,049,338
Total subject to Master Agreements	\$ —	\$21,395,665	\$ 2,394,566	\$ —	\$ —	\$23,790,231
<b>Liability Derivatives</b>						
Unrealized Depreciation on Forward Currency Contracts	\$ —	\$ —	\$ (38,794)	\$ —	\$ —	\$ (38,794)
Unrealized Depreciation on Futures Contracts <sup>□</sup>	—	(1,721,609)	—	—	—	(1,721,609)
Total	\$ —	\$ (1,721,609)	\$ (38,794)	\$ —	\$ —	\$ (1,760,403)
Derivatives not subject to Master Agreements	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Total subject to Master Agreements	\$ —	\$ (1,721,609)	\$ (38,794)	\$ —	\$ —	\$ (1,760,403)
<b>Net Realized Gain (Loss) on</b>						
Investments (rights and/or warrants)	\$ —	\$ 4,029,148	\$ —	\$ —	\$ —	\$ 4,029,148
Forward Currency Contracts	—	—	(1,400,179)	—	—	(1,400,179)
Futures Contracts	—	17,257,928	—	—	—	17,257,928
Swap Contracts	—	14,964,975	—	—	—	14,964,975
Total	\$ —	\$36,252,051	\$ (1,400,179)	\$ —	\$ —	\$34,851,872

# GMO Trust Funds

## Notes to Financial Statements — (Continued) February 28, 2018

	Credit Contracts	Equity Contracts	Foreign Currency Contracts	Interest Rate Contracts	Other Contracts	Total
<b>Emerging Domestic Opportunities Fund (continued)</b>						
<b>Change in Net Appreciation (Depreciation) on</b>						
Investments (rights and/or warrants)	\$ —	\$ 709,036	\$ —	\$ —	\$ —	\$ 709,036
Investments (fully funded total return swaps)□	—	6,222,642	—	—	—	6,222,642
Forward Currency Contracts	—	—	1,866,853	—	—	1,866,853
Futures Contracts	—	(6,704,219)	—	—	—	(6,704,219)
Swap Contracts	—	(740,882)	—	—	—	(740,882)
Total	\$ —	\$ (513,423)	\$ 1,866,853	\$ —	\$ —	\$ 1,353,430
<b>Emerging Markets Fund</b>						
<b>Asset Derivatives</b>						
Investments, at value (rights and/or warrants)	\$ —	\$ 423,736	\$ —	\$ —	\$ —	\$ 423,736
Unrealized Appreciation on Futures Contracts□	—	17,822,856	—	—	—	17,822,856
Swap Contracts, at value□	—	435,941	—	—	—	435,941
Total	\$ —	\$ 18,682,533	\$ —	\$ —	\$ —	\$ 18,682,533
Derivatives not subject to Master Agreements	\$ —	\$ 423,736	\$ —	\$ —	\$ —	\$ 423,736
Total subject to Master Agreements	\$ —	\$ 18,258,797	\$ —	\$ —	\$ —	\$ 18,258,797
<b>Net Realized Gain (Loss) on</b>						
Investments (rights and/or warrants)	\$ —	\$ 73,491	\$ —	\$ —	\$ —	\$ 73,491
Futures Contracts	—	31,278,684	—	—	—	31,278,684
Swap Contracts	—	2,819,214	—	—	—	2,819,214
Total	\$ —	\$ 34,171,389	\$ —	\$ —	\$ —	\$ 34,171,389
<b>Change in Net Appreciation (Depreciation) on</b>						
Investments (rights and/or warrants)	\$ —	\$ 290,562	\$ —	\$ —	\$ —	\$ 290,562
Investments (fully funded total return swaps)	—	(20,418)	—	—	—	(20,418)
Futures Contracts	—	17,956,362	—	—	—	17,956,362
Swap Contracts	—	(599,390)	—	—	—	(599,390)
Total	\$ —	\$ 17,627,116	\$ —	\$ —	\$ —	\$ 17,627,116
<b>Foreign Small Companies Fund</b>						
<b>Liability Derivatives</b>						
Unrealized Depreciation on Futures Contracts□	\$ —	\$ (32,848)	\$ —	\$ —	\$ —	\$ (32,848)
Total	\$ —	\$ (32,848)	\$ —	\$ —	\$ —	\$ (32,848)
Derivatives not subject to Master Agreements	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Total subject to Master Agreements	\$ —	\$ (32,848)	\$ —	\$ —	\$ —	\$ (32,848)
<b>Net Realized Gain (Loss) on</b>						
Futures Contracts	\$ —	\$ 648,798	\$ —	\$ —	\$ —	\$ 648,798
Total	\$ —	\$ 648,798	\$ —	\$ —	\$ —	\$ 648,798
<b>Change in Net Appreciation (Depreciation) on</b>						
Forward Currency Contracts	\$ —	\$ 302,043	\$ —	\$ —	\$ —	\$ 302,043
Futures Contracts	\$ —	\$ (32,848)	\$ —	\$ —	\$ —	\$ (32,848)
Total	\$ —	\$ (269,195)	\$ —	\$ —	\$ —	\$ (269,195)
<b>International Equity Fund</b>						
<b>Liability Derivatives</b>						
Unrealized Depreciation on Futures Contracts□	\$ —	\$ (5,376)	\$ —	\$ —	\$ —	\$ (5,376)
Total	\$ —	\$ (5,376)	\$ —	\$ —	\$ —	\$ (5,376)
Derivatives not subject to Master Agreements	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Total subject to Master Agreements	\$ —	\$ (5,376)	\$ —	\$ —	\$ —	\$ (5,376)



# GMO Trust Funds

## Notes to Financial Statements — (Continued) February 28, 2018

	Credit Contracts	Equity Contracts	Foreign Currency Contracts	Interest Rate Contracts	Other Contracts	Total
<b>International Equity Fund (continued)</b>						
<b>Net Realized Gain (Loss) on</b>						
Investments (rights and/or warrants)	\$ —	\$ 138,588	\$ —	\$ —	\$ —	\$ 138,588
Futures Contracts	\$ —	\$ 5,402,203	\$ —	\$ —	\$ —	\$ 5,402,203
Total	\$ —	\$ 5,540,791	\$ —	\$ —	\$ —	\$ 5,540,791
<b>Change in Net Appreciation (Depreciation) on</b>						
Futures Contracts	\$ —	\$ (5,376)	\$ —	\$ —	\$ —	\$ (5,376)
Total	\$ —	\$ (5,376)	\$ —	\$ —	\$ —	\$ (5,376)
<b>International Large/Mid Cap Equity Fund</b>						
<b>Liability Derivatives</b>						
Unrealized Depreciation on Futures Contracts <sup>□</sup>	\$ —	\$ (24,404)	\$ —	\$ —	\$ —	\$ (24,404)
Total	\$ —	\$ (24,404)	\$ —	\$ —	\$ —	\$ (24,404)
Derivatives not subject to Master Agreements	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Total subject to Master Agreements	\$ —	\$ (24,404)	\$ —	\$ —	\$ —	\$ (24,404)
<b>Net Realized Gain (Loss) on</b>						
Investments (rights and/or warrants)	\$ —	\$ 0	\$ —	\$ —	\$ —	\$ 0
Futures Contracts	—	172,648	—	—	—	172,648
Total	\$ —	\$ 172,648	\$ —	\$ —	\$ —	\$ 172,648
<b>Change in Net Appreciation (Depreciation) on</b>						
Futures Contracts	\$ —	\$ (42,734)	\$ —	\$ —	\$ —	\$ (42,734)
Total	\$ —	\$ (42,734)	\$ —	\$ —	\$ —	\$ (42,734)
<b>Resources Fund</b>						
<b>Net Realized Gain (Loss) on</b>						
Investments (rights and/or warrants)	\$ —	\$ (2,480)	\$ —	\$ —	\$ —	\$ (2,480)
Total	\$ —	\$ (2,480)	\$ —	\$ —	\$ —	\$ (2,480)
<b>Risk Premium Fund</b>						
<b>Liability Derivatives</b>						
Written Options, at value	\$ —	\$ (1,137,772)	\$ —	\$ —	\$ —	\$ (1,137,772)
Total	\$ —	\$ (1,137,772)	\$ —	\$ —	\$ —	\$ (1,137,772)
Derivatives not subject to Master Agreements	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Total subject to Master Agreements	\$ —	\$ (1,137,772)	\$ —	\$ —	\$ —	\$ (1,137,772)
<b>Net Realized Gain (Loss) on</b>						
Written Options	\$ —	\$ 9,169,404	\$ —	\$ —	\$ —	\$ 9,169,404
Total	\$ —	\$ 9,169,404	\$ —	\$ —	\$ —	\$ 9,169,404
<b>Change in Net Appreciation (Depreciation) on</b>						
Written Options	\$ —	\$ (273,901)	\$ —	\$ —	\$ —	\$ (273,901)
Total	\$ —	\$ (273,901)	\$ —	\$ —	\$ —	\$ (273,901)

# GMO Trust Funds

## Notes to Financial Statements — (Continued) February 28, 2018

	Credit Contracts	Equity Contracts	Foreign Currency Contracts	Interest Rate Contracts	Other Contracts	Total
<b>Tax-Managed International Equities Fund</b>						
<b>Asset Derivatives</b>						
Investments, at value (rights and/or warrants)	\$ —	\$ 2,379	\$ —	\$ —	\$ —	\$ 2,379
Total	\$ —	\$ 2,379	\$ —	\$ —	\$ —	\$ 2,379
Derivatives not subject to Master Agreements	\$ —	\$ 2,379	\$ —	\$ —	\$ —	\$ 2,379
Total subject to Master Agreements	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
<b>Liability Derivatives</b>						
Unrealized Depreciation on Futures Contracts <sup>□</sup>	\$ —	\$ (46,749)	\$ —	\$ —	\$ —	\$ (46,749)
Total	\$ —	\$ (46,749)	\$ —	\$ —	\$ —	\$ (46,749)
Derivatives not subject to Master Agreements	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Total subject to Master Agreements	\$ —	\$ (46,749)	\$ —	\$ —	\$ —	\$ (46,749)
<b>Net Realized Gain (Loss) on</b>						
Investments (rights and/or warrants)	\$ —	\$ 29,540	\$ —	\$ —	\$ —	\$ 29,540
Futures Contracts	—	99,587	—	—	—	99,587
Total	\$ —	\$ 129,127	\$ —	\$ —	\$ —	\$ 129,127
<b>Change in Net Appreciation (Depreciation) on</b>						
Investments (rights and/or warrants)	\$ —	\$ 1,389	\$ —	\$ —	\$ —	\$ 1,389
Futures Contracts	—	(45,489)	—	—	—	(45,489)
Total	\$ —	\$ (44,100)	\$ —	\$ —	\$ —	\$ (44,100)
<b>U.S. Equity Allocation Fund</b>						
<b>Asset Derivatives</b>						
Unrealized Appreciation on Futures Contracts <sup>□</sup>	\$ —	\$ 74,241	\$ —	\$ —	\$ —	\$ 74,241
Total	\$ —	\$ 74,241	\$ —	\$ —	\$ —	\$ 74,241
Derivatives not subject to Master Agreements	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Total subject to Master Agreements	\$ —	\$ 74,241	\$ —	\$ —	\$ —	\$ 74,241
<b>Net Realized Gain (Loss) on</b>						
Futures Contracts	\$ —	\$2,120,298	\$ —	\$ —	\$ —	\$2,120,298
Total	\$ —	\$2,120,298	\$ —	\$ —	\$ —	\$2,120,298
<b>Change in Net Appreciation (Depreciation) on</b>						
Futures Contracts	\$ —	\$ 74,241	\$ —	\$ —	\$ —	\$ 74,241
Total	\$ —	\$ 74,241	\$ —	\$ —	\$ —	\$ 74,241

<sup>^</sup> Because the Funds recognize changes in value through the Statements of Operations, they do not qualify for hedge accounting under authoritative guidance for derivative instruments. The Funds' investments in derivatives may represent an economic hedge; however, they are considered to be non-hedge transactions for the purpose of these tables.

<sup>□</sup> The table includes cumulative unrealized appreciation/depreciation of futures and value of cleared swap contracts, if any, as reported in the Schedule of Investments. Year end variation margin on open futures and cleared swap contracts, if any, is reported within the Statements of Assets and Liabilities.

Certain Funds are party to International Swaps and Derivatives Association, Inc. Master Agreements, Global Master Repurchase Agreements or other similar types of agreements (collectively, "Master Agreements") that generally govern the terms of OTC derivative transactions, repurchase agreements and reverse repurchase agreements. The Master Agreements may include collateral posting terms and set-off provisions that apply in the event of a default and/or termination event. Upon the occurrence of such an event, including the bankruptcy or insolvency of the counterparty, the Master Agreements may permit the non-defaulting party to

## GMO Trust Funds

### Notes to Financial Statements — (Continued) February 28, 2018

calculate a single net payment to close out applicable transactions. However, there is no guarantee that the terms of a Master Agreement will be enforceable; for example, when bankruptcy or insolvency laws impose restrictions on or prohibitions against the right of offset. Additionally, the set-off and netting provisions of a Master Agreement may not extend to the obligations of the counterparty's affiliates or across varying types of transactions. Because no such event has occurred, the Funds do not presently have a legally enforceable right of set-off and these amounts have not been offset in the Statements of Assets and Liabilities, but have been presented separately in the table below. Termination events may also include a decline in the net assets of a Fund below a certain level over a specified period of time and may entitle a counterparty to elect an early termination of all the transactions under the Master Agreement with that counterparty. Such an election by one or more of the counterparties could have a material adverse impact on a Fund's operations. An estimate of the aggregate net payment, if any, that may need to be paid by a Fund (or may be received by a Fund) in such an event is represented by the Net Amounts in the tables below. For more information about other uncertainties and risks, see "Investments and other risks" above.

For financial reporting purposes, in the Statements of Assets and Liabilities any cash collateral that has been pledged to cover obligations of the Funds is reported as Due from Broker and any cash collateral received from the counterparty is reported as Due to Broker. Any non-cash collateral pledged by the Funds is noted in the Schedules of Investments. The tables below show the potential effect of netting arrangements made available by the Master Agreements on the financial position of the Funds. For financial reporting purposes, the Funds' Statements of Assets and Liabilities generally show derivative assets and derivative liabilities (regardless of whether they are subject to netting arrangements) on a gross basis, which reflects the full risks and exposures of the Fund prior to netting. See Note 2 for information on repurchase agreements and reverse repurchase agreements held by the Funds at February 28, 2018, if any.

The tables above present the Funds' derivative assets and liabilities by type of financial instrument. The following tables present the Funds' OTC and/or exchange-traded derivative assets and liabilities by counterparty net of amounts that may be available for offset under the Master Agreements by the terms of the agreement and net of the related collateral received or pledged by the Funds as of February 28, 2018:

#### Emerging Domestic Opportunities Fund

Counterparty	Gross Derivative Assets Subject to Master Agreements	Collateral Received	Derivative Assets/(Liabilities) Available for Offset	Net Amount of Derivative Assets
Goldman Sachs International	\$20,810,307	\$ (620,000)	\$ —	\$20,190,307
Morgan Stanley & Co. International PLC	2,394,566	(2,355,772)	(38,794)	—*
Total	<u>\$23,204,873</u>	<u>\$(2,975,772)</u>	<u>\$(38,794)</u>	<u>\$20,190,307</u>

Counterparty	Gross Derivative Liabilities Subject to Master Agreements	Collateral Pledged	Derivative (Assets)/Liabilities Available for Offset	Net Amount of Derivative Liabilities
Morgan Stanley & Co. International PLC	\$ 38,794	\$ —	\$ 38,794	\$ —
Total	<u>\$ 38,749</u>	<u>\$ —</u>	<u>\$ 38,794</u>	<u>\$ —</u>

#### Emerging Markets Fund

Counterparty	Gross Derivative Assets Subject to Master Agreements	Collateral Received	Derivative Assets/(Liabilities) Available for Offset	Net Amount of Derivative Assets
Morgan Stanley & Co. International PLC	\$435,941	\$(435,941)	\$ —	\$—*
Total	<u>\$435,941</u>	<u>\$(435,941)</u>	<u>\$ —</u>	<u>\$—</u>

## GMO Trust Funds

### Notes to Financial Statements — (Continued) February 28, 2018

#### Risk Premium Fund

Counterparty	Gross Derivative Liabilities Subject to Master Agreements	Collateral Pledged	Derivative (Assets)/Liabilities Available for Offset	Net Amount of Derivative Liabilities
Goldman Sachs & Co	\$ 338,564	\$ (338,564)	\$ —	\$ —*
Morgan Stanley & Co. LLC	799,208	(799,208)	—	—*
Total	<u>\$1,137,772</u>	<u>\$(1,137,772)</u>	<u>\$ —</u>	<u>\$ —</u>

\* The actual collateral received and/or pledged is more than the amount shown.

The average derivative activity of notional amounts (forward currency contracts, futures contracts and swap contracts), market values (rights and/ or warrants) and number of contracts (options) outstanding, based on absolute values, at each month-end, was as follows for the year ended February 28, 2018:

Fund Name	Forward Currency Contracts (\$)	Futures Contracts (\$)	Swap Contracts (\$)	Options (Contracts)	Rights and/or Warrants (\$)
Climate Change Fund	—	—	—	—	422*
Emerging Domestic Opportunities Fund	95,599,635	319,628,972	39,456,818**	—	8,404,874
Emerging Markets Fund	—	244,117,917	26,774,052**	—	214,569
Foreign Small Companies Fund	2,685,485	963,616	—	—	—
International Equity Fund	—	16,645,393	—	—	484,888
International Large/Mid Cap Equity Fund	—	888,241	—	—	8,880
Resources Fund	—	—	—	—	7,532
Risk Premium Fund	—	—	—	2,366	—
Tax-Managed International Equities Fund	—	902,842	—	—	3,735
U.S. Equity Allocation Fund	—	4,171,309	—	—	—

\* During the period ended February 28, 2018, the Fund did not hold this investment type at any month-end; therefore, the average amount outstanding was calculated using daily outstanding absolute values.

\*\* Includes fully funded total return swap average derivative activity for the year ended February 28, 2018.

#### 5. Fees and other transactions with affiliates

GMO receives a management fee for the services it provides to each Fund. Management fees are paid monthly at the annual rate equal to the percentage of each Fund's average daily net assets set forth in the table below:

	Climate Change Fund	Emerging Domestic Opportunities Fund	Emerging Markets Fund	Foreign Small Companies Fund	International Equity Fund	International Large/Mid Cap Equity Fund	Quality Fund	Resources Fund	Risk Premium Fund	Tax-Managed International Equities Fund	U.S. Equity Allocation Fund
Management Fee	0.60% <sup>(a)</sup>	0.75%	0.75% <sup>(b)</sup>	0.60% <sup>(c)</sup>	0.50%	0.38%	0.33%	0.50%	0.45%	0.50%	0.31%

<sup>(a)</sup> GMO has contractually agreed to reduce its annual management fee by 0.15% through December 31, 2018.

<sup>(b)</sup> GMO has contractually agreed to reduce, through at least June 30, 2018, its annual management fee to an annual rate of 0.65% of the Fund's average daily net asset value.

<sup>(c)</sup> Prior to June 30, 2017, the management fee was 0.70%. For the period from May 1, 2017 through July 31, 2017, GMO waived its management fee.

## GMO Trust Funds

### Notes to Financial Statements — (Continued) February 28, 2018

In addition, each class of shares of certain Funds pays GMO directly or indirectly a shareholder service fee for providing client services and reporting, such as performance information, client account information, personal and electronic access to Fund information, access to analysis and explanations of Fund reports, and assistance in maintaining and correcting client-related information. Shareholder service fees are paid monthly at the annual rate equal to the percentage of each applicable Class's average daily net assets set forth in the table below:

Fund Name	Class II	Class III	Class IV	Class V	Class VI
Climate Change Fund		0.15%	0.10%*	0.085%*	0.055%*
Emerging Domestic Opportunities Fund	0.22%	0.15%	0.105%	0.085%	0.055%*
Emerging Markets Fund	0.22%	0.15%	0.105%	0.085%	0.055%
Foreign Small Companies Fund <sup>(a)</sup>		0.15%	0.10%		
International Equity Fund	0.22%	0.15%	0.09%		
International Large/Mid Cap Equity Fund		0.15%	0.09%		0.055%*
Quality Fund		0.15%	0.105%	0.085%	0.055%
Resources Fund		0.15%	0.10%	0.085%*	0.055%*
Risk Premium Fund		0.15%	0.10%*	0.085%*	0.055%
Tax-Managed International Equities Fund		0.15%			
U.S. Equity Allocation Fund		0.15%	0.10%	0.085%	0.055%

\* Class is offered but has no shareholders as of February 28, 2018.

<sup>(a)</sup> For the period from May 1, 2017 through July 31, 2017, GMO waived its shareholder service fees.

For each Fund, other than Climate Change Fund and Resources Fund, GMO has contractually agreed to reimburse the Fund for its "Specified Operating Expenses" (as defined below). For Climate Change Fund and Resources Fund, GMO has contractually agreed to reimburse the Fund for the portion of its "Specified Operating Expenses" (as defined below) that exceeds 0.10% of the Fund's average daily net assets ("Expense Threshold Amount"). Any such reimbursements are paid to a Fund concurrently with the Fund's payment of management fees to GMO.

Subject to the exclusions noted below, "Specified Operating Expenses" means: audit expenses, fund accounting expenses, pricing service expenses, expenses of non-investment related tax services, transfer agency expenses, expenses of non-investment related legal services provided to the Funds by or at the direction of GMO, organizational and start-up expenses, federal securities law filing expenses, printing expenses, state and federal registration fees and custody expenses. In the case of Emerging Markets Fund, "Specified Operating Expenses" does not include custody expenses, and in the case of Emerging Domestic Opportunities Fund, "Specified Operating Expenses" only includes custody expenses to the extent that they exceed 0.10% of the Fund's average daily net assets.

For Climate Change Fund and Resources Fund, GMO is permitted to recover from the Fund, on a class-by-class basis, as applicable, the "Specified Operating Expenses" GMO has borne or reimbursed (whether through reduction of its fees or otherwise) to the extent that the Fund(s)' "Specified Operating Expense(s)" later fall below the Expense Threshold Amount or the lower expense limit in effect when GMO seeks to recover the expenses. A Fund, however, is not obligated to pay any such amount more than three years after GMO bore or reimbursed an expense. The amount GMO is entitled to recover may not cause a Fund to exceed the Expense Threshold Amount or the lower expense limit in effect when GMO seeks recovery.

For the year ended February 28, 2018, GMO recouped the following previously recorded waivers and/or reimbursements.

	Recoupment Amount (\$)
Resources Fund	14,512

## GMO Trust Funds

### Notes to Financial Statements — (Continued) February 28, 2018

On February 28, 2018, the reimbursements and/or waivers subject to possible future recoupment are as follows:

	Expiring year ending February 28, 2019	Expiring year ending February 29, 2020	Expiring year ending February 28, 2021
Climate Change Fund, Class III	—	—	\$60,800
Resources Fund, Class III	—	—	\$ 5,581
Resources Fund, Class IV	—	—	\$62,830

For each Fund that pays GMO a management fee, GMO has contractually agreed to waive or reduce that fee, but not below zero, to the extent necessary to offset the management fees paid to GMO that are directly or indirectly borne by the Fund as a result of the Fund's direct or indirect investments in other GMO Funds.

For each Fund that charges a shareholder service fee, GMO has contractually agreed to waive or reduce the shareholder service fee charged to holders of each class of shares of the Fund, but not below zero, to the extent necessary to offset the shareholder service fees directly or indirectly borne by the class of shares of the Fund as a result of the Fund's direct or indirect investments in other GMO Funds.

In addition, for Emerging Markets Fund only, GMO has contractually agreed to waive the shareholder service fees charged to holders of each class of shares of the Fund to the extent necessary to prevent the shareholder service fees borne by each class of shares of the Fund from exceeding the percentage of the class's average daily net assets as follows: 0.20% for Class II shares, 0.15% for Class III shares, 0.10% of Class IV shares, 0.05% for Class V shares, and 0.02% for Class VI shares.

These contractual waivers and reimbursements will continue through at least June 30, 2018 for each Fund unless the Funds' Board of Trustees authorizes their modification or termination or reduces the fee rates paid to GMO under the Fund's management contract or servicing and supplemental support agreement.

The Funds' portion of the gross fees paid by the Trust to the Trust's independent Trustees and their legal counsel and any agents unaffiliated with GMO during the year ended February 28, 2018 is shown in the table below and is included in the Statements of Operations.

Fund Name	Independent Trustees and their legal counsel (\$)	Agent unaffiliated with GMO (\$)
Climate Change Fund	828	2
Emerging Domestic Opportunities Fund	51,266	4,408
Emerging Markets Fund	114,094	10,118
Foreign Small Companies Fund	11,080	1,153
International Equity Fund	126,574	11,238
International Large/Mid Cap Equity Fund	1,623	255
Quality Fund	195,855	16,652
Resources Fund	5,587	403
Risk Premium Fund	3,530	365
Tax-Managed International Equities Fund	2,564	255
U.S. Equity Allocation Fund	36,718	3,104

## GMO Trust Funds

### Notes to Financial Statements — (Continued) February 28, 2018

Certain Funds incur fees and expenses indirectly as a shareholder in the underlying funds. For the year ended February 28, 2018 these indirect fees and expenses expressed as a percentage of each Fund's average daily net assets were as follows:

Fund Name	Indirect Net Expenses (excluding shareholder service fees)	Indirect Shareholder Service Fees	Indirect Interest Expense	Total Indirect Expenses
Climate Change Fund	< 0.001%	0.000%	0.000%	< 0.001%
Emerging Domestic Opportunities Fund	< 0.001%	0.000%	0.000%	< 0.001%
Emerging Markets Fund	< 0.001%	0.000%	0.000%	< 0.001%
Foreign Small Companies Fund	< 0.001%	0.000%	0.000%	< 0.001%
International Equity Fund	< 0.001%	0.000%	0.000%	< 0.001%
International Large/Mid Cap Equity Fund	< 0.001%	0.000%	0.000%	< 0.001%
Quality Fund	< 0.001%	0.000%	0.000%	< 0.001%
Resources Fund	< 0.001%	0.000%	0.000%	< 0.001%
Risk Premium Fund	0.000%	0.000%	0.000%	0.000%
Tax-Managed International Equities Fund	< 0.001%	0.000%	0.000%	< 0.001%
U.S. Equity Allocation Fund	< 0.001%	0.000%	0.000%	< 0.001%

The Funds are permitted to purchase or sell securities from or to certain other GMO funds under specified conditions outlined in procedures adopted by the Trustees. The procedures have been designed to ensure that any purchase or sale of securities by a Fund from another fund or portfolio that is or could be considered an affiliate by virtue of having a common investment adviser (or affiliated investment advisers), common Trustees and/or common officers complies with Rule 17a-7 of the 1940 Act. Further, as defined under the procedures, each transaction is effectuated at the current market price. During the year ended February 28, 2018, the Funds did not engage in these transactions.

#### 6. Purchases and sales of securities

Cost of purchases and proceeds from sales of securities, excluding short-term investments and including GMO U.S. Treasury Fund, if applicable, for the year ended February 28, 2018 are noted in the table below:

Fund Name	Purchases (\$)	Purchases (\$)	Sales (\$)	Sales (\$)
	U.S. Government Securities	Investments (Non-U.S. Government Securities)	U.S. Government Securities	Investments (Non-U.S. Government Securities)
Climate Change Fund	—	52,982,094	—	28,895,533
Emerging Domestic Opportunities Fund	—	5,555,390,198	—	5,754,073,481
Emerging Markets Fund	—	5,901,913,790	—	6,827,711,552
Foreign Small Companies Fund	—	553,454,979	—	756,902,482
International Equity Fund	—	3,353,930,097	—	5,021,611,571
International Large/Mid Cap Equity Fund	—	139,584,018	—	261,175,153
Quality Fund	—	1,878,682,138	—	4,113,171,483
Resources Fund	—	293,820,264	—	212,003,651
Risk Premium Fund	74,856,338	—	—	—
Tax-Managed International Equities Fund	—	83,755,205	—	151,683,723
U.S. Equity Allocation Fund	—	1,562,702,143	—	2,120,151,419

## GMO Trust Funds

### Notes to Financial Statements — (Continued) February 28, 2018

Cost of purchases and proceeds from sales of securities for in-kind transactions, excluding short-term investments, in accordance with U.S. GAAP for the year ended February 28, 2018 are noted in the table below:

Fund Name	Purchases (\$)	Sales (\$)
Foreign Small Companies Fund	—	\$541,686,701*

\* \$503,881,179 of the redemptions in-kind were redeemed by affiliates.

For the year ended February 28, 2018, the Funds had the following net realized gains/(losses) attributed to redemption in-kind transactions:

Fund Name	Net realized gains/(losses) attributed to redemption in-kind transactions (\$)
Foreign Small Companies Fund	\$92,227,938

#### 7. Guarantees

In the normal course of business the Funds enter into contracts with third-party service providers that contain a variety of representations and warranties and that provide general indemnifications. The Funds' maximum exposure under these arrangements is unknown, as it involves possible future claims that may or may not be made against the Funds. Based on experience, GMO is of the view that the risk of loss to the Funds in connection with the Funds' indemnification obligations is remote; however, there can be no assurance that such obligations will not result in material liabilities that adversely affect the Funds.

#### 8. Principal shareholders and related parties as of February 28, 2018

Fund Name	Number of shareholders that held more than 10% of the outstanding shares of the Fund	Percentage of outstanding shares of the Fund held by those shareholders owning greater than 10% of the outstanding shares of the Fund	Percentage of the shares of the Fund held by senior management of GMO and GMO Trust officers	Percentage of the Fund's shares held by accounts for which GMO has investment discretion
Climate Change Fund	3	60.87%	69.20%	—
Emerging Domestic Opportunities Fund*	2	29.19%	1.59%	—
Emerging Markets Fund*	3#	34.91%	0.31%	71.57%
Foreign Small Companies Fund	3	96.60%	0.03%	—
International Equity Fund	5§	67.67%	0.01%	92.03%
International Large/Mid Cap Equity Fund	1	94.77%	—	—
Quality Fund	—	—	0.22%	16.47%
Resources Fund	1	77.55%	6.55%	2.98%
Risk Premium Fund	2‡	97.09%	0.31%	99.34%
Tax-Managed International Equities Fund	4	63.53%	0.12%	—
U.S. Equity Allocation Fund	4#	70.20%	0.03%	98.23%

\* The Fund's outstanding shares were owned by more than 10 shareholders as of February 28, 2018.

‡ One of the shareholders is another fund of the Trust.

§ Four of the shareholders are other funds of the Trust.

# Two of the shareholders are other funds of the Trust.



# GMO Trust Funds

## Notes to Financial Statements — (Continued) February 28, 2018

### 9. Share transactions

The Declaration of Trust permits each Fund to issue an unlimited number of shares of beneficial interest (without par value). Transactions in the Funds' shares were as follows:

	Year Ended February 28, 2018		Year Ended February 28, 2017	
	Shares	Amount	Shares	Amount
<b>Climate Change Fund</b>				
<b>Class III:*</b>				
Shares sold	1,093,126	\$ 23,929,134		
Shares issued to shareholders in reinvestment of distributions	28,235	655,616		
Net increase (decrease)	<u>1,121,361</u>	<u>\$ 24,584,750</u>		
<b>Emerging Domestic Opportunities Fund</b>				
<b>Class II:</b>				
Shares sold	1,817,724	\$ 49,043,727	7,485,284	\$ 160,982,074
Shares issued to shareholders in reinvestment of distributions	272,286	7,617,993	697,230	14,510,206
Shares repurchased	(4,486,864)	(116,784,190)	(10,275,533)	(225,166,888)
Purchase premiums	—	74,964	—	78,467
Redemption fees	—	542,684	—	588,506
Net increase (decrease)	<u>(2,396,854)</u>	<u>\$ (59,504,822)</u>	<u>(2,093,019)</u>	<u>\$ (49,007,635)</u>
<b>Class III:</b>				
Shares sold	—	\$ —	2,933,935	\$ 62,998,906
Shares issued to shareholders in reinvestment of distributions	60,784	1,697,769	222,746	4,625,740
Shares repurchased	(1,551,984)	(41,407,143)	(10,000,083)	(216,597,785)
Purchase premiums	—	14,320	—	24,572
Redemption fees	—	104,186	—	164,606
Net increase (decrease)	<u>(1,491,200)</u>	<u>\$ (39,590,868)</u>	<u>(6,843,402)</u>	<u>\$ (148,783,961)</u>
<b>Class IV:</b>				
Shares sold	—	\$ —	6,037,293	\$ 129,016,957
Shares issued to shareholders in reinvestment of distributions	151,953	4,239,893	782,540	16,393,889
Shares repurchased	(4,539,880)	(123,386,543)	(30,511,626)	(697,091,179)
Purchase premiums	—	37,899	—	104,701
Redemption fees	—	274,132	—	684,403
Net increase (decrease)	<u>(4,387,927)</u>	<u>\$ (118,834,619)</u>	<u>(23,691,793)</u>	<u>\$ (550,891,229)</u>
<b>Class V:</b>				
Shares sold	2,321,991	\$ 57,701,679	26,717,121	\$ 614,385,969
Shares issued to shareholders in reinvestment of distributions	598,836	16,696,891	1,075,943	22,220,013
Shares repurchased	(422,783)	(12,691,594)	(2,550,388)	(52,305,875)
Purchase premiums	—	132,470	—	58,196
Redemption fees	—	962,652	—	569,292
Net increase (decrease)	<u>2,498,044</u>	<u>\$ 62,802,098</u>	<u>25,242,676</u>	<u>\$ 584,927,595</u>
<b>Class VI:‡</b>				
Shares sold	546,851	\$ 12,564,071	205,646	\$ 4,338,151
Shares issued to shareholders in reinvestment of distributions	—	—	13,943	290,287
Shares repurchased	(1,215,116)	(28,809,003)	(23,501)	(513,105)
Purchase premiums	—	48	—	1,413
Redemption fees	—	2,069	—	10,922
Net increase (decrease)	<u>(668,265)</u>	<u>\$ (16,242,815)</u>	<u>196,088</u>	<u>\$ 4,127,668</u>

# GMO Trust Funds

## Notes to Financial Statements — (Continued) February 28, 2018

	Year Ended February 28, 2018		Year Ended February 28, 2017	
	Shares	Amount	Shares	Amount
<b>Emerging Markets Fund</b>				
<b>Class II:#</b>				
Shares sold	2,144,525	\$ 76,615,465	823,187	\$ 23,902,466
Shares issued to shareholders in reinvestment of distributions	298,236	10,137,847	317,627	8,547,393
Shares repurchased	(5,901,364)	(198,656,462)	(7,873,707)	(209,618,011)
Purchase premiums	—	412,144	—	206,220
Redemption fees	—	1,199,050	—	1,323,690
Net increase (decrease)	<u>(3,458,603)</u>	<u>\$ (110,291,956)</u>	<u>(6,732,893)</u>	<u>\$ (175,638,242)</u>
<b>Class III:#</b>				
Shares sold	5,262,213	\$ 189,034,182	1,646,735	\$ 50,110,147
Shares issued to shareholders in reinvestment of distributions	160,773	5,490,307	101,508	2,737,447
Shares repurchased	(4,761,245)	(152,016,265)	(20,839)	(590,715)
Purchase premiums	—	163,459	—	115,197
Redemption fees	—	573,854	—	604,396
Net increase (decrease)	<u>661,741</u>	<u>\$ 43,245,537</u>	<u>1,727,404</u>	<u>\$ 52,976,472</u>
<b>Class IV:#</b>				
Shares sold	12,287,373	\$ 414,505,112	12,277,358	\$ 367,988,726
Shares issued to shareholders in reinvestment of distributions	200,918	6,727,048	106,683	2,851,160
Shares repurchased	(18,629,708)	(647,014,911)	(4,671,454)	(129,426,496)
Purchase premiums	—	616,336	—	188,279
Redemption fees	—	1,577,373	—	734,437
Net increase (decrease)	<u>(6,141,417)</u>	<u>\$ (223,589,042)</u>	<u>7,712,587</u>	<u>\$ 242,336,106</u>
<b>Class V:#</b>				
Shares sold	913,530	\$ 29,688,750	3,283,522	\$ 87,142,351
Shares issued to shareholders in reinvestment of distributions	124,905	4,213,667	326,859	8,709,058
Shares repurchased	(10,910)	(389,825)	(11,837,332)	(354,659,563)
Purchase premiums	—	124,417	—	107,715
Redemption fees	—	354,662	—	992,090
Net increase (decrease)	<u>1,027,525</u>	<u>\$ 33,991,671</u>	<u>(8,226,951)</u>	<u>\$ (257,708,349)</u>
<b>Class VI:#</b>				
Shares sold	14,003,693	\$ 460,981,387	9,646,816	\$ 286,707,394
Shares issued to shareholders in reinvestment of distributions	2,950,428	99,601,307	2,878,228	76,876,100
Shares repurchased	(36,424,149)	(1,211,074,646)	(55,955,886)	(1,530,569,213)
Purchase premiums	—	2,981,424	—	1,452,890
Redemption fees	—	8,857,454	—	9,612,117
Net increase (decrease)	<u>(19,470,028)</u>	<u>\$ (638,653,074)</u>	<u>(43,430,842)</u>	<u>\$(1,155,920,712)</u>
<b>Foreign Small Companies Fund</b>				
<b>Class III:</b>				
Shares sold	1,205,904	\$ 18,448,098	4,911,945	\$ 70,841,467
Shares issued to shareholders in reinvestment of distributions	1,155,505	17,572,868	529,271	7,195,678
Shares repurchased	(15,628,838) <sup>(a)</sup>	(245,691,422) <sup>(a)</sup>	(12,753,958)	(181,381,778)
Purchase premiums	—	1,984	—	4,090
Redemption fees	—	396,995	—	328,256
Net increase (decrease)	<u>(13,267,429)</u>	<u>\$ (209,271,477)</u>	<u>(7,312,742)</u>	<u>\$ (103,012,287)</u>

# GMO Trust Funds

## Notes to Financial Statements — (Continued) February 28, 2018

	Year Ended February 28, 2018		Year Ended February 28, 2017	
	Shares	Amount	Shares	Amount
<b>Foreign Small Companies Fund (continued)</b>				
<b>Class IV:</b>				
Shares sold	4,509,349	\$ 70,616,166	8,926	\$ 123,290
Shares issued to shareholders in reinvestment of distributions	2,798,225	42,386,751	1,147,196	15,561,235
Shares repurchased	(40,727,929) <sup>(b)</sup>	(627,887,398) <sup>(b)</sup>	(8,423,117)	(118,607,509)
Purchase premiums	—	5,741	—	11,501
Redemption fees	—	824,581	—	832,379
Net increase (decrease)	<u>(33,420,355)</u>	<u>\$ (514,054,159)</u>	<u>(7,266,995)</u>	<u>\$ (102,079,104)</u>
<b>International Equity Fund</b>				
<b>Class II:</b>				
Shares sold	489,231	\$ 11,146,918	394,169	\$ 7,758,214
Shares issued to shareholders in reinvestment of distributions	15,844	367,095	53,704	1,036,907
Shares repurchased	(11,060)	(259,126)	(4,406,766)	(86,201,920)
Net increase (decrease)	<u>494,015</u>	<u>\$ 11,254,887</u>	<u>(3,958,893)</u>	<u>\$ (77,406,799)</u>
<b>Class III:</b>				
Shares sold	5,618,387	\$ 134,845,293	3,202,195	\$ 63,057,431
Shares issued to shareholders in reinvestment of distributions	676,948	15,748,936	1,458,230	28,472,050
Shares repurchased	(21,799,987)	(490,728,694)	(25,597,340)	(510,086,501)
Net increase (decrease)	<u>(15,504,652)</u>	<u>\$ (340,134,465)</u>	<u>(20,936,915)</u>	<u>\$ (418,557,020)</u>
<b>Class IV:</b>				
Shares sold	8,188,636	\$ 186,191,569	11,139,274	\$ 215,725,536
Shares issued to shareholders in reinvestment of distributions	6,749,246	156,837,529	11,785,933	229,782,109
Shares repurchased	(72,887,892)	(1,667,210,560)	(158,196,157)	(3,158,978,555)
Net increase (decrease)	<u>(57,950,010)</u>	<u>\$(1,324,181,462)</u>	<u>(135,270,950)</u>	<u>\$(2,713,470,910)</u>
<b>International Large/Mid Cap Equity Fund</b>				
<b>Class III:</b>				
Shares sold	2,952,020	\$ 78,517,708	411,984	\$ 10,495,496
Shares issued to shareholders in reinvestment of distributions	19,019	497,829	253,763	6,161,168
Shares repurchased	(1,428,325)	(37,475,512)	(18,719,775)	(470,772,481)
Net increase (decrease)	<u>1,542,714</u>	<u>\$ 41,540,025</u>	<u>(18,054,028)</u>	<u>\$ (454,115,817)</u>
<b>Class IV:</b>				
Shares sold	25,357	\$ 667,693	1,317,734	\$ 33,127,702
Shares issued to shareholders in reinvestment of distributions	524,624	13,754,556	728,389	17,599,928
Shares repurchased	(6,273,065)	(167,412,155)	(23,672,201)	(600,482,249)
Net increase (decrease)	<u>(5,723,084)</u>	<u>\$ (152,989,906)</u>	<u>(21,626,078)</u>	<u>\$ (549,754,619)</u>
<b>Class VI:‡</b>				
Shares sold	—	\$ —	—	\$ —
Shares issued to shareholders in reinvestment of distributions	—	—	623,703	14,995,054
Shares repurchased	(23,527)	(616,556)	(12,536,597)	(300,320,271)
Net increase (decrease)	<u>(23,527)</u>	<u>\$ (616,556)</u>	<u>(11,912,894)</u>	<u>\$ (285,325,217)</u>

# GMO Trust Funds

## Notes to Financial Statements — (Continued) February 28, 2018

	Year Ended February 28, 2018		Year Ended February 28, 2017	
	Shares	Amount	Shares	Amount
<b>Quality Fund</b>				
<b>Class III:</b>				
Shares sold	9,569,371	\$ 233,792,192	27,204,984	\$ 577,084,371
Shares issued to shareholders in reinvestment of distributions	9,710,900	236,338,887	5,427,657	111,954,229
Shares repurchased	(41,778,688)	(994,664,619)	(78,926,958)	(1,636,659,609)
Net increase (decrease)	<u>(22,498,417)</u>	<u>\$ (524,533,540)</u>	<u>(46,294,317)</u>	<u>\$ (947,621,009)</u>
<b>Class IV:</b>				
Shares sold	2,687,351	\$ 65,544,766	23,563,655	\$ 498,378,900
Shares issued to shareholders in reinvestment of distributions	3,024,905	73,674,810	2,065,342	42,641,190
Shares repurchased	(23,049,188)	(543,039,198)	(38,313,485)	(806,249,545)
Net increase (decrease)	<u>(17,336,932)</u>	<u>\$ (403,819,622)</u>	<u>(12,684,488)</u>	<u>\$ (265,229,455)</u>
<b>Class V:</b>				
Shares sold	15,240,672	\$ 355,202,520	9,463,322	\$ 197,196,406
Shares issued to shareholders in reinvestment of distributions	753,632	18,275,903	717,958	14,824,416
Shares repurchased	(30,753,264)	(742,878,377)	(3,801,010)	(79,429,321)
Net increase (decrease)	<u>(14,758,960)</u>	<u>\$ (369,399,954)</u>	<u>6,380,270</u>	<u>\$ 132,591,501</u>
<b>Class VI:</b>				
Shares sold	29,403,277	\$ 709,386,725	91,893,911	\$ 1,913,611,617
Shares issued to shareholders in reinvestment of distributions	11,410,443	277,711,590	5,665,767	116,815,260
Shares repurchased	(51,435,726)	(1,236,751,765)	(36,449,428)	(770,551,459)
Net increase (decrease)	<u>(10,622,006)</u>	<u>\$ (249,653,450)</u>	<u>61,110,250</u>	<u>\$ 1,259,875,418</u>
<b>Resources Fund</b>				
<b>Class III:</b>				
Shares sold	1,468,960	\$ 30,964,916	570,839	\$ 8,566,354
Shares issued to shareholders in reinvestment of distributions	48,976	868,248	32,759	537,264
Shares repurchased	(234,190)	(4,012,036)	(480,753)	(6,835,975)
Purchase premiums	—	43,889	—	2,754
Redemption fees	—	16,475	—	16,991
Net increase (decrease)	<u>1,283,746</u>	<u>\$ 27,881,492</u>	<u>122,845</u>	<u>\$ 2,287,388</u>
<b>Class IV:</b>				
Shares sold	5,366,277	\$ 102,162,843	169,620	\$ 2,585,614
Shares issued to shareholders in reinvestment of distributions	549,915	9,781,398	315,651	5,118,000
Shares repurchased	(2,712,619)	(52,821,227)	(4,055,808)	(57,587,522)
Purchase premiums	—	351,383	—	29,756
Redemption fees	—	156,297	—	175,234
Net increase (decrease)	<u>3,203,573</u>	<u>\$ 59,630,694</u>	<u>(3,570,537)</u>	<u>\$ (49,678,918)</u>
<b>Risk Premium Fund</b>				
<b>Class III:#</b>				
Shares sold	—	\$ —	2,862	\$ 85,653
Shares issued to shareholders in reinvestment of distributions	25,484	724,208	18,814	544,069
Shares repurchased	(65,778)	(1,906,884)	(105,987)	(3,151,044)
Purchase premiums	—	122	—	—
Redemption fees	—	1,284	—	6,093
Net increase (decrease)	<u>(40,294)</u>	<u>\$ (1,181,270)</u>	<u>(84,311)</u>	<u>\$ (2,515,229)</u>

# GMO Trust Funds

## Notes to Financial Statements — (Continued) February 28, 2018

	Year Ended February 28, 2018		Year Ended February 28, 2017	
	Shares	Amount	Shares	Amount
<b>Risk Premium Fund (continued)</b>				
<b>Class VI:#</b>				
Shares sold	122,003	\$ 3,443,846	390	\$ 10,630
Shares issued to shareholders in reinvestment of distributions	845,070	24,004,565	437,685	12,713,932
Shares repurchased	(844,262)	(25,708,492)	(3,562,411)	(103,841,501)
Purchase premiums	—	5,052	—	16
Redemption fees	—	40,139	—	154,267
Net increase (decrease)	<u>122,811</u>	<u>\$ 1,785,110</u>	<u>(3,124,336)</u>	<u>\$ (90,962,656)</u>
<b>Tax-Managed International Equities Fund</b>				
<b>Class III:</b>				
Shares sold	34,844	\$ 588,984	51,654	\$ 709,686
Shares issued to shareholders in reinvestment of distributions	118,562	1,953,043	226,091	3,089,352
Shares repurchased	(4,210,695)	(70,417,290)	(8,885,564)	(123,384,562)
Net increase (decrease)	<u>(4,057,289)</u>	<u>\$ (67,875,263)</u>	<u>(8,607,819)</u>	<u>\$ (119,585,524)</u>
<b>U.S. Equity Allocation Fund</b>				
<b>Class III:</b>				
Shares sold	1,426,974	\$ 22,200,337	254,123	\$ 3,737,099
Shares issued to shareholders in reinvestment of distributions	503,101	7,560,282	964,254	14,133,772
Shares repurchased	(4,161,819)	(62,443,147)	(8,083,310)	(120,400,300)
Net increase (decrease)	<u>(2,231,744)</u>	<u>\$ (32,682,528)</u>	<u>(6,864,933)</u>	<u>\$ (102,529,429)</u>
<b>Class IV:</b>				
Shares sold	4,181,151	\$ 64,392,213	353,391	\$ 5,084,358
Shares issued to shareholders in reinvestment of distributions	221,349	3,311,107	482,865	7,017,672
Shares repurchased	(3,169,071)	(49,096,124)	(37,081,635) <sup>(c)</sup>	(546,704,227) <sup>(c)</sup>
Net increase (decrease)	<u>1,233,429</u>	<u>\$ 18,607,196</u>	<u>(36,245,379)</u>	<u>\$ (534,602,197)</u>
<b>Class V:</b>				
Shares sold	—	\$ —	11,302,431	\$ 168,755,254
Shares issued to shareholders in reinvestment of distributions	953,644	14,275,839	1,125,283	16,496,645
Shares repurchased	(7,929,615)	(121,076,853)	(1,516,895)	(22,257,238)
Net increase (decrease)	<u>(6,975,971)</u>	<u>\$ (106,801,014)</u>	<u>10,910,819</u>	<u>\$ 162,994,661</u>
<b>Class VI:</b>				
Shares sold	3,148,627	\$ 46,726,515	1,279,791	\$ 19,202,615
Shares issued to shareholders in reinvestment of distributions	9,856,724	147,659,798	15,359,314	223,790,989
Shares repurchased	(32,244,150)	(489,038,891)	(198,687,826)	(2,929,999,235)
Net increase (decrease)	<u>(19,238,799)</u>	<u>\$ (294,652,578)</u>	<u>(182,048,721)</u>	<u>\$(2,687,005,631)</u>

\* The period under the heading “Year Ended February 28, 2018” represents the period from April 5, 2017 (commencement of operations) through February 28, 2018.

‡ Class VI liquidated on March 29, 2017.

# Shares were adjusted to reflect a 1:3 reverse stock split effective July 15, 2016.

(a) 2,421,878 shares and \$37,805,522 were redeemed in-kind.

(b) 32,418,183 shares and \$503,881,179 were redeemed in-kind by affiliates.

(c) 10,797,603 shares and \$153,780,220 were redeemed in-kind.

## GMO Trust Funds

### Notes to Financial Statements — (Continued) February 28, 2018

#### 10. Investments in affiliated companies and other Funds of the Trust

An affiliated company for the purposes of this disclosure is a company in which a Fund has or had direct ownership of at least 5% of the issuer's voting securities or an investment in other funds of GMO Trust. A summary of the Funds' transactions involving companies that are or were affiliates during the year ended February 28, 2018 is set forth below:

Affiliate	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Net Realized Gain (Loss)	Net Increase/ Decrease in Unrealized Appreciation/ Depreciation	Value, end of period
<b>Climate Change Fund</b>							
GMO U.S. Treasury Fund	\$ —	\$ 22,680,482	\$ 21,926,000	\$ 8,482	\$ (2,633)	\$ (300)	\$ 751,549
<b>Emerging Domestic Opportunities Fund</b>							
CMI Ltd	\$ 3,202,269	\$ 115,802	\$ —	\$ 18,823	\$ —	\$ 1,339,737	\$ 4,657,808
Gayatri Highways Ltd	—	1,225,475	—	—	—	(77,577)	1,147,898
Gayatri Projects Ltd	22,225,368	—	—	1,225,475	—	12,304,268	34,529,636
GMO U.S. Treasury Fund	66,772,614	1,318,599,097	1,254,425,000	851,092	(76,199)	(45,929)	130,824,583
TICON Industrial Growth Leasehold Property Fund	16,408,121	—	15,206,845	605,876	(982,281)	(218,995)	—#
Totals	\$108,608,372	\$1,319,940,374	\$1,269,631,845	\$2,701,266	\$ (1,058,480)	\$13,301,504	\$171,159,925
<b>Emerging Markets Fund</b>							
Anilana Hotels & Properties Ltd	\$ 1,028,843	\$ —	\$ —	\$ —	\$ —	\$ (240,213)	\$ 788,630
Gayatri Highways Ltd	—	1,924,051	—	—	—	(121,799)	1,802,252
Gayatri Projects Ltd	35,159,348	—	348,270	1,924,051	267,091	19,134,909	54,213,078
GMO U.S. Treasury Fund	89,875,673	1,580,442,610	1,572,609,999	839,754	(82,854)	(5,018)	97,620,412
Kiri Industries Ltd	7,867,156	—	2,428,022	—	1,685,072	(5,543,894)	—#
Totals	\$133,931,020	\$1,582,366,661	\$1,575,386,291	\$2,763,805	\$ 1,869,309	\$13,223,985	\$154,424,372
<b>Foreign Small Companies Fund</b>							
GMO U.S. Treasury Fund	\$ 7,030,375	\$ 101,738,965	\$ 107,170,000	\$ 88,965	\$ (6,332)	\$ 2,788	\$ 1,595,796
<b>International Equity Fund</b>							
GMO U.S. Treasury Fund	\$ 21,767,868	\$ 932,500,000	\$ 893,150,000	\$ 380,748	\$ (33,122)	\$ (15,646)	\$ 61,069,100
<b>International Large/Mid Cap Equity Fund</b>							
GMO U.S. Treasury Fund	\$ 2,408,002	\$ 89,185,000	\$ 90,399,999	\$ 14,518	\$ (11,145)	\$ (730)	\$ 1,181,128
<b>Quality Fund</b>							
GMO U.S. Treasury Fund	\$240,449,520	\$1,057,500,000	\$1,246,700,000	\$1,384,313	\$ (120,039)	\$ (37,441)	\$ 51,092,040
<b>Resources Fund</b>							
GMO U.S. Treasury Fund	\$ 6,150,081	\$ 95,920,000	\$ 95,559,999	\$ 49,233	\$ (2,988)	\$ (2,585)	\$ 6,504,509
<b>Tax-Managed International Equities Fund</b>							
GMO U.S. Treasury Fund	\$ 427,587	\$ 38,960,000	\$ 38,320,000	\$ 11,993	\$ (347)	\$ (430)	\$ 1,066,810
<b>U.S. Equity Allocation Fund</b>							
GMO U.S. Treasury Fund	\$ 11,180,107	\$ 333,890,000	\$ 337,600,000	\$ 122,889	\$ (7,109)	\$ (2,988)	\$ 7,460,010

# No longer an affiliate at year end.

## GMO Trust Funds

### Notes to Financial Statements — (Continued) February 28, 2018

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#### 11. Subsequent Events

Effective March 31, 2018, GMO Risk Premium Fund's benchmark is CBOE S&P 500 PutWrite Index.

Effective March 31, 2018, the name of GMO U.S. Equity Allocation Fund was changed to GMO U.S. Equity Fund. As of the same date, the Fund's benchmark is the Russell 3000 Index.

Subsequent to February 28, 2018, GMO Foreign Small Companies Fund and GMO International Large/Mid Cap Equity Fund received redemption requests in the amount of \$84,766,094 and \$25,000,426, respectively.

## Report of Independent Registered Public Accounting Firm

**To the Board of Trustees of GMO Trust and Shareholders of  
GMO Climate Change Fund, GMO Emerging Domestic Opportunities Fund, GMO Emerging Markets Fund, GMO Foreign Small Companies Fund, GMO International Equity Fund, GMO International Large/Mid Cap Equity Fund, GMO Quality Fund, GMO Resources Fund, GMO Risk Premium Fund, GMO Tax-Managed International Equities Fund, and GMO U.S. Equity Allocation Fund**

### *Opinions on the Financial Statements*

We have audited the accompanying statements of assets and liabilities, including the schedules of investments, of GMO Climate Change Fund, GMO Emerging Domestic Opportunities Fund, GMO Emerging Markets Fund, GMO Foreign Small Companies Fund, GMO International Equity Fund, GMO International Large/Mid Cap Equity Fund, GMO Quality Fund, GMO Resources Fund, GMO Risk Premium Fund, GMO Tax-Managed International Equities Fund, and GMO U.S. Equity Allocation Fund (eleven of the funds constituting GMO Trust, hereafter collectively referred to as the “Funds”) as of February 28, 2018, the related statements of operations and the statements of changes in net assets for each of the periods indicated in the table below, including the related notes, and the financial highlights for each of the periods indicated therein (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the Funds as of February 28, 2018, the results of each of their operations and the changes in each of their net assets for the periods indicated in the table below and each of the financial highlights for each of the periods indicated therein in conformity with accounting principles generally accepted in the United States of America.

GMO Emerging Domestic Opportunities Fund, GMO Emerging Markets Fund, GMO Foreign Small Companies Fund, GMO International Equity Fund, GMO International Large/Mid Cap Equity Fund, GMO Quality Fund, GMO Resources Fund, GMO Risk Premium Fund, GMO Tax-Managed International Equities Fund, GMO U.S. Equity Allocation Fund	Statements of operations for the year ended February 28, 2018 and the statements of changes in net assets for each of the two years in the period ended February 28, 2018
GMO Climate Change Fund	Statements of operations and changes in net assets for the period April 5, 2017 (commencement of operations) through February 28, 2018

### *Basis for Opinions*

These financial statements are the responsibility of the Funds’ management. Our responsibility is to express an opinion on the Funds’ financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Funds in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of February 28, 2018 by correspondence with the custodians, transfer agent and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinions.

/s/PricewaterhouseCoopers LLP  
Boston, Massachusetts  
April 25, 2018

We have served as the auditor of one or more investment companies in the GMO mutual funds complex since 1985.



**GMO Trust Funds**  
(A Series of GMO Trust)

**Fund Expenses**  
**February 28, 2018 (Unaudited)**

*Expense Examples:* The following information is in relation to expenses for the six month period ended February 28, 2018.

As a shareholder of the Funds, you may incur two types of costs: (1) transaction costs, including purchase premium and redemption fees, if applicable; and (2) ongoing costs, including direct and/or indirect management fees, direct and/or indirect shareholder services fees, and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Funds and to compare these costs with the ongoing costs of investing in other mutual funds.

These examples are based on an investment of \$1,000 invested at the beginning of the period and held for the entire period, September 1, 2017 through February 28, 2018.

**Actual Expenses**

This section of the table for each class below provides information about actual account values and actual expenses. You may use the information in this section, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, a \$10,000,000 account value divided by \$1,000 = 10,000), then multiply the result by the number under the heading entitled “Expenses Paid During the Period” to estimate the expenses you paid on your account during this period.

**Hypothetical Example for Comparison Purposes**

This section of the table for each class below provides information about hypothetical account values and hypothetical expenses based on the Funds’ actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Funds’ actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Funds with other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as purchase premium and redemption fees. Therefore, this section of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

	Actual			Hypothetical			Annualized Expense Ratio
	Beginning Account Value September 1, 2017	Ending Account Value February 28, 2018	Expenses Paid During the Period**	Beginning Account Value September 1, 2017	Ending Account Value February 28, 2018	Expenses Paid During the Period**	
<b>Climate Change Fund</b>							
Class III	\$1,000.00	\$1,079.50	\$3.97	\$1,000.00	\$1,020.98	\$3.86	0.77%
<b>Emerging Domestic Opportunities Fund</b>							
Class II	\$1,000.00	\$1,105.40	\$5.43	\$1,000.00	\$1,019.64	\$5.21	1.04%
Class III	\$1,000.00	\$1,105.40	\$5.06	\$1,000.00	\$1,019.98	\$4.86	0.97%
Class IV	\$1,000.00	\$1,106.00	\$4.80	\$1,000.00	\$1,020.23	\$4.61	0.92%
Class V	\$1,000.00	\$1,106.40	\$4.70	\$1,000.00	\$1,020.33	\$4.51	0.90%
<b>Emerging Markets Fund</b>							
Class II	\$1,000.00	\$1,086.90	\$4.97	\$1,000.00	\$1,020.03	\$4.81	0.96%
Class III	\$1,000.00	\$1,087.00	\$4.50	\$1,000.00	\$1,020.48	\$4.36	0.87%
Class IV	\$1,000.00	\$1,087.00	\$4.45	\$1,000.00	\$1,020.53	\$4.31	0.86%
Class V	\$1,000.00	\$1,087.50	\$4.09	\$1,000.00	\$1,020.88	\$3.96	0.79%
Class VI	\$1,000.00	\$1,087.80	\$3.99	\$1,000.00	\$1,020.98	\$3.86	0.77%
<b>Foreign Small Companies Fund</b>							
Class III	\$1,000.00	\$1,100.80	\$4.01	\$1,000.00	\$1,020.98	\$3.86	0.77%
Class IV	\$1,000.00	\$1,101.40	\$3.75	\$1,000.00	\$1,021.22	\$3.61	0.72%
<b>International Equity Fund</b>							
Class II	\$1,000.00	\$1,070.70	\$3.75	\$1,000.00	\$1,021.17	\$3.66	0.73%
Class III	\$1,000.00	\$1,071.00	\$3.34	\$1,000.00	\$1,021.57	\$3.26	0.65%
Class IV	\$1,000.00	\$1,071.10	\$3.08	\$1,000.00	\$1,021.82	\$3.01	0.60%

**GMO Trust Funds**  
(A Series of GMO Trust)

**Fund Expenses — (Continued)**  
**February 28, 2018 (Unaudited)**

	Actual			Hypothetical			Annualized Expense Ratio
	Beginning Account Value September 1, 2017	Ending Account Value February 28, 2018	Expenses Paid During the Period**	Beginning Account Value September 1, 2017	Ending Account Value February 28, 2018	Expenses Paid During the Period**	
<b>International Large/Mid Cap Equity Fund</b>							
Class III	\$1,000.00	\$1,075.90	\$3.40	\$1,000.00	\$1,021.52	\$3.31	0.66%
Class IV	\$1,000.00	\$1,075.90	\$2.99	\$1,000.00	\$1,021.92	\$2.91	0.58%
<b>Quality Fund</b>							
Class III	\$1,000.00	\$1,113.10	\$2.51	\$1,000.00	\$1,022.41	\$2.41	0.48%
Class IV	\$1,000.00	\$1,113.20	\$2.31	\$1,000.00	\$1,022.61	\$2.21	0.44%
Class V	\$1,000.00	\$1,113.40	\$2.20	\$1,000.00	\$1,022.71	\$2.11	0.42%
Class VI	\$1,000.00	\$1,113.30	\$2.04	\$1,000.00	\$1,022.86	\$1.96	0.39%
<b>Resources Fund</b>							
Class III	\$1,000.00	\$1,160.00	\$4.07	\$1,000.00	\$1,021.03	\$3.81	0.76%
Class IV	\$1,000.00	\$1,160.30	\$3.80	\$1,000.00	\$1,021.27	\$3.56	0.71%
<b>Risk Premium Fund</b>							
Class III	\$1,000.00	\$ 999.90	\$2.98	\$1,000.00	\$1,021.82	\$3.01	0.60%
Class VI	\$1,000.00	\$1,000.30	\$2.53	\$1,000.00	\$1,022.27	\$2.56	0.51%
<b>Tax-Managed International Equities Fund</b>							
Class III	\$1,000.00	\$1,067.30	\$3.74	\$1,000.00	\$1,021.17	\$3.66	0.73%
<b>U.S. Equity Allocation Fund</b>							
Class III	\$1,000.00	\$1,107.40	\$2.40	\$1,000.00	\$1,022.51	\$2.31	0.46%
Class IV	\$1,000.00	\$1,108.10	\$2.14	\$1,000.00	\$1,022.76	\$2.06	0.41%
Class V	\$1,000.00	\$1,108.40	\$2.09	\$1,000.00	\$1,022.81	\$2.01	0.40%
Class VI	\$1,000.00	\$1,108.20	\$1.93	\$1,000.00	\$1,022.96	\$1.86	0.37%

\* Expenses are calculated using each class's annualized net expense ratio (including indirect expenses incurred) for the six months ended February 28, 2018, multiplied by the average account value over the period, multiplied by 181 days in the period, divided by 365 days in the year.

## GMO Trust Funds

### Tax Information for the Tax Year Ended February 28, 2018 (Unaudited)

The following information is being provided in order to meet reporting requirements set forth by the Code and/or to meet state-specific requirements. Shareholders should consult their tax advisors.

With respect to distributions paid, the Funds designate the following amounts (or, if subsequently determined to be different, the maximum amount allowable) for the fiscal year-ended February 28, 2018:

Fund Name	Dividend Received Deduction (corporate shareholders) <sup>(1)</sup>	Qualified Dividend Income (non-corporate shareholders) <sup>(1)</sup>	U.S. Government Obligation Income <sup>(1,2)</sup>	Interest-Related Dividend Income <sup>(3)</sup> (\$)	Short-Term Capital Gain Dividends <sup>(3)</sup> (\$)	Long-Term Capital Gain Distributions (\$)	Foreign Taxes Paid <sup>(4)</sup> (\$)	Foreign Source Income <sup>(4)</sup> (\$)
Climate Change Fund	3.33%	33.63%	—	—	491,078	—	28,171	279,964
Emerging Domestic Opportunities Fund	—	86.62%	—	—	—	—	12,325,817	46,730,778
Emerging Markets Fund	—	69.71%	—	—	—	—	27,179,175	182,095,958
Foreign Small Companies Fund	—	69.74%	—	—	21,603,615	25,090,273	1,370,291	16,244,656
International Equity Fund	—	100.00%	—	—	—	—	16,025,558	190,699,362
International Large/Mid Cap Equity Fund	—	65.88%	—	—	3,140,647	7,100,023	—	—
Quality Fund	59.93%	79.84%	—	—	76,130,489	436,963,160	—	—
Resources Fund	—	58.81%	—	—	—	—	581,299	7,299,612
Risk Premium Fund	—	—	4.63%	470,408	9,678,641	14,579,724	—	—
Tax-Managed International Equities Fund	—	100.00%	—	—	—	—	287,025	3,546,403
U.S. Equity Allocation Fund	91.05%	96.36%	—	—	8,764,698	136,022,591	—	—

<sup>(1)</sup> Presented as a percentage of net investment income and short-term capital gain distributions paid, if any.

<sup>(2)</sup> All or a portion of these amounts may be exempt from taxation at the state level.

<sup>(3)</sup> These amounts are generally exempt from U.S. withholding taxes for non-U.S. shareholders, provided certain conditions are satisfied by both the Funds and the Funds' shareholders. If applicable, interest related dividend amounts could include short-term capital gain dividends received from underlying funds.

<sup>(4)</sup> The Funds expect to elect to treat foreign taxes attributed to foreign source income from certain of its investments, as if incurred directly by the Funds' shareholders.

In early 2019, the Funds will notify applicable shareholders of amounts for use in preparing 2018 U.S. federal income tax forms.

## Trustees and Officers (Unaudited)

The following tables present information regarding each Trustee and officer of the Trust as of April 25, 2018. Each Trustee's and officer's year of birth ("YOB") is set forth after his or her name. Unless otherwise noted, (i) each Trustee and officer has engaged in the principal occupation(s) noted in the table for at least the most recent five years, although not necessarily in the same capacity, and (ii) the address of each Trustee and officer is c/o GMO Trust, 40 Rowes Wharf, Boston, MA 02110. Each Trustee serves in office until the earlier of (a) the election and qualification of a successor at the next meeting of shareholders called to elect Trustees or (b) the Trustee dies, resigns, or is removed as provided in the Trust's governing documents. Each of the Trustees of the Trust, other than Mr. Harrison, is not an "interested person" of the Trust, as such term is used in the 1940 Act (each, an "Independent Trustee"). Because the Funds do not hold annual meetings of shareholders, each Trustee will hold office for an indeterminate period. Each officer serves in office until his or her successor is elected and determined to be qualified to carry out the duties and responsibilities of the office, or until the officer resigns or is removed from office.

### Independent Trustees

Name and Year of Birth	Position(s) Held with the Trust	Length of Time Served	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex <sup>1</sup> Overseen	Other Directorships Held in the Past Five Years
Donald W. Glazer YOB: 1944	Chairman of the Board of Trustees	Chairman of the Board of Trustees since March 2005; Lead Independent Trustee (September 2004 – March 2005); Trustee since December 2000.	Consultant – Law and Business; Author of Legal Treatises.	29	Director, BeiGene Ltd. (biotech research).
Peter Tufano YOB: 1957	Trustee	Since December 2008.	Peter Moores Dean and Professor of Finance, University of Oxford Saïd Business School (as of July 1, 2011).	29	Trustee of State Street Navigator Securities Lending Trust (5 Portfolios).
Paul Braverman YOB: 1949	Trustee	Since March 2010.	Director of Leerink Swann Holdings, LLC (investment bank) (October 2013 – present); Director of Aesir Capital Management (investment advisor) (November 2012 – present); Director of Kieger (US) Ltd. (investment advisor) (January 2015 – present).	29	Director of Claren Road Asset Management, LLC (hedge fund); Trustee of HIMCO Variable Insurance Trust (27 Portfolios).

### Interested Trustee and Officer

Name and Year of Birth	Position(s) Held with the Trust	Length of Time Served	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex <sup>1</sup> Overseen	Other Directorships Held in the Past Five Years
Jason B. Harrison. <sup>2</sup> YOB: 1977	Trustee; President of the Trust	Trustee and President since March 2018.	Product Development, Grantham, Mayo, Van Otterloo & Co. LLC (October 2015 – present); Legal Counsel, Grantham, Mayo, Van Otterloo & Co. LLC (2006 – 2015)	44	None

<sup>1</sup> The Fund Complex includes series of each of GMO Trust and GMO Series Trust. Mr. Harrison also serves as a Trustee of GMO Series Trust.

<sup>2</sup> Mr. Harrison is an "interested person" of the Trust, as such term is used in the 1940 Act (an "Interested Trustee"), by virtue of his positions with the Trust and GMO indicated in the table above and his interest as a member of GMO.

## Officers

Name and Year of Birth	Position(s) Held with the Trust	Length of Time Served	Principal Occupation(s) During Past 5 Years*
Jason B. Harrison YOB: 1977	Trustee; President of the Trust	Trustee and President since March 2018.	Product Development, Grantham, Mayo, Van Otterloo & Co. LLC (October 2015 – present); Legal Counsel, Grantham, Mayo, Van Otterloo & Co. LLC (2006 – 2015)
Sheppard N. Burnett YOB: 1968	Chief Executive Officer	Chief Executive Officer since June 2015; Chief Financial Officer, March 2007 – June 2015; Treasurer, November 2006 – June 2015; Assistant Treasurer, September 2004 – November 2006.	Head of Fund Treasury and Tax, Grantham, Mayo, Van Otterloo & Co. LLC (December 2006 – present).
Carly Cushman YOB: 1984	Treasurer, Chief Accounting Officer and Chief Financial Officer	Treasurer and Chief Financial Officer since June 2015; Chief Accounting Officer since May 2014; Assistant Treasurer, September 2013 – June 2015.	Fund Administrator, Grantham, Mayo, Van Otterloo & Co. LLC (December 2009 – present); Senior Accountant, Renaissance HealthCare (February 2009 – December 2009); Auditor/Senior Auditor, Deloitte & Touche (September 2006 – February 2009).
John L. Nasrah YOB: 1977	Assistant Treasurer and Chief Tax Officer	Since March 2007.	Fund Administrator, Grantham, Mayo, Van Otterloo & Co. LLC (September 2004 – present).
Betty Maganzini YOB: 1972	Assistant Treasurer	Since September 2013.	Fund Administrator, Grantham, Mayo, Van Otterloo & Co. LLC (July 2010 – present); Assistant Treasurer (June 2009 – July 2010), Manager, Fund Administration and Regulatory Affairs (2006 – 2009), Hambrecht & Quist Capital Management LLC.
Mahmoodur Rahman YOB: 1967	Assistant Treasurer	Since September 2007.	Fund Administrator, Grantham, Mayo, Van Otterloo & Co. LLC (April 2007 – present).
Cathy Tao YOB: 1974	Assistant Treasurer	Since September 2016	Fund Administrator, Grantham, Mayo, Van Otterloo & Co. LLC (October 2007 – present)
Brian Kadehjian YOB: 1974	Assistant Treasurer and Treasury Officer	Assistant Treasurer since February 2015; Treasury Officer since September 2013.	Fund Administrator, Grantham, Mayo, Van Otterloo & Co. LLC (April 2002 – present).
Douglas Y. Charton YOB: 1982	Chief Legal Officer, Vice President and Clerk	Since August 2015.	Legal Counsel, Grantham, Mayo, Van Otterloo & Co. LLC (July 2015 – present); Associate, K&L Gates LLP (September 2007 – July 2015).
Megan Bunting YOB: 1978	Vice President and Assistant Clerk	Since September 2013.	Legal Counsel, Grantham, Mayo, Van Otterloo & Co. LLC (September 2006 – present).
Kevin O'Brien YOB: 1985	Vice President and Assistant Clerk	Since March 2016.	Legal Counsel, Grantham, Mayo, Van Otterloo & Co. LLC (February 2015 – present); Associate, Dechert LLP (October 2010 – February 2015).
Gregory L. Pottle YOB: 1971	Chief Compliance Officer	Chief Compliance Officer since May 2015; Vice President and Assistant Clerk, November 2006 – November 2015.	Chief Compliance Officer, Grantham, Mayo, Van Otterloo & Co. LLC (May 2015 – present); Legal Counsel, Grantham, Mayo, Van Otterloo & Co. LLC (March 2000 – May 2015).
Claire Wilkinson YOB: 1965	Anti-Money Laundering Officer	Since February 2016.	Compliance Associate, GMO UK Limited (April 2013 – present); General Counsel, MVision Private Equity Advisers Limited (November 2009 – January 2013).

\* Each officer of the Trust may also serve as an officer and/or director of certain pooled investment vehicles of which GMO or an affiliate of GMO serves as the investment adviser.