DYNAMIC ALLOCATION STRATEGY

Quarterly Investment Review

PRODUCT OVERVIEW

The GMO Dynamic Allocation Strategy seeks positive total return. GMO intends to allocate dynamically across asset classes and strategies, while typically maintaining an exposure to equity assets of between 40% and 80%.

The philosophy that underlies all of GMO's Asset Allocation investment strategies is the belief that, at times and in the short term, the pricing of asset classes can deviate from true intrinsic value, but mean reverts to appropriate valuation levels over a complete market cycle. GMO's proprietary 7-Year Asset Class Forecasts form the foundation of our investment process, providing a framework to assess the return opportunity embedded in different asset classes. We use that insight to allocate to what we believe are the most attractively priced asset classes. We also seek to add value through security selection within both traditional and alternative asset classes.

MAJOR PERFORMANCE DRIVERS

For the third quarter of 2026, the GMO Dynamic Allocation portfolio outperformed its policy benchmark, the 60% MSCI ACWI/40% Bloomberg U.S. Aggregate, which returned -0.5%.

Equities represented 58.4% of the portfolio on average over the period. Active exposures in GMO-managed strategies accounted for 40.0%, including 10.2% in International Opportunistic Value, 10.1% in U.S. Opportunistic Value, 10.2% in U.S. Quality, 5.0% in International Quality, 3.0% in U.S. Domestic Resilience, and 1.6% in Power Infrastructure. Passive exposures accounted for 18.4%, including 7.8% in Emerging Markets, 4.6% in International Broad, 4.1% in Japan Value, and 2.0% in International Small. The equity portfolio return of 2.3% outperformed the MSCI ACWI return of 1.6%. Leaning away from the outperforming U.S. market was unhelpful for the period, but the general outperformance of the value style was a useful tailwind.

Fixed income and cash represented 41.6% of the portfolio on average over the period. This was all implemented passively, with exposures including 28.1% in intermediate-term treasuries, 2.6% in short-term treasuries, 10.0% in TIPS, and 0.8% in cash & short duration. The fixed income portfolio return of -2.8% was ahead of the Bloomberg U.S. Aggregate return of -3.5%.

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ANNUALIZED RETURNS (USD, %) (QUARTER-END)

	Quarter-End	YTD	1-Year	3-Year	5-Year	10-Year	Since Inception
Dynamic Allocation Strategy (net)	0.05	7.36	-	-	-	-	10.19
Dynamic Allocation Strategy (gross)	0.17	7.76	-	-	-	-	10.70
60% MSCI ACWI 40% Bloomberg U.S. Aggregate Blend	-0.46	6.57	-	-	-	-	7.44
Value Add	+0.51	+0.78	-	-	-	-	+2.76

RISKS

Risks associated with investing in the Strategy may include: (1) Management and Operational Risk: the risk that GMO's investment techniques will fail to produce desired results, including annualized returns and annualized volatility; (2) Market Risk - Equities: the market price of equities may decline due to factors affecting the issuer, its industries, or the economy and equity markets generally. Declines in stock market prices generally are likely to reduce the net asset value of the Fund's shares; and (3) Non-U.S. Investment Risk: The market prices of many non-U.S. securities (particularly of companies tied economically to emerging countries) fluctuate more than those of U.S. securities. Many non-U.S. markets (particularly emerging markets) are less stable, smaller, less liquid, and less regulated than U.S. markets, and the cost of trading in those markets often is higher than it is in U.S. markets. This is not a complete list of risks associated with investing in the Strategy. Please contact GMO for more information.

Composite Inception Date: 31-Oct-25

Performance Returns: Performance for the year of inception is less than a full calendar year. Returns shown for periods greater than one year are on an annualized basis. To obtain performance information to the most recent month-end, visit www.gmo.com. **Performance data quoted represents past performance and is not indicative of future results.** Net returns are presented after the deduction of a model advisory fee and incentive fee if applicable. These returns include transaction costs, commissions and withholding taxes on foreign income and capital gains and include the reinvestment of dividends and other income, as applicable. Fees paid by accounts within the composite may be higher or lower than the model fees used. Gross returns are presented gross of management fees and any incentive fees if applicable. These returns include transaction costs, commissions, withholding taxes on foreign income and capital gains and include the reinvestment of dividends and other income, as applicable. If management and incentive fees were deducted performance would be lower. For example, if, before fees, the strategy were to achieve a 10% annual rate of return above its hurdle rate each year for ten years, and an annual advisory fee of 1% and incentive fee of 20% of net returns above the hurdle rate were charged during that period, the resulting average annual net return (after the deduction of management and incentive fees) would be approximately 7.20%. **GMO does not yet have a GIPS-compliant report for this composite since it has not managed accounts in this strategy for a full year.**

IMPORTANT INFORMATION

Benchmark(s): The 60% MSCI ACWI 40% Bloomberg U.S. Aggregate Blend is an internally maintained benchmark computed by GMO, comprised of (i) 60% MSCI ACWI (All Country World) Index (MSCI Standard Index Series, net of withholding tax) and (ii) 40% Bloomberg U.S. Aggregate Index. 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. Please visit https://www.gmo.com/americas/benchmark-disclaimers/ to review the complete benchmark disclaimer notice.

The above information is based on a representative account in the Strategy selected because it has the fewest restrictions and best represents the implementation of the Strategy.

For private bank intermediaries in Singapore and Hong Kong, these materials are intended for institutional and Accredited/Professional Investors Use Only.

ABOUT GMO

Founded in 1977, GMO is a global asset manager committed to delivering superior performance and advice to our clients. We are privately owned, which allows us to singularly focus on our sole business – achieving outstanding long-term client investment outcomes. Offering multi-asset, equity, fixed income, and alternative strategies, we invest with a long-term, valuation-based philosophical approach.

AMSTERDAM | BOSTON | LONDON | SAN FRANCISCO* | SINGAPORE | SYDNEY | TOKYO**

*GMO's West Coast Hub is comprised of members of Investment, Global Client Relations, and other teams located in and around the Greater San Francisco area
**Representative Office