EMERGING COUNTRY DEBT SHARES FUND

Quarterly Investment Review

PRODUCT OVERVIEW

The GMO Emerging Country Debt Shares Fund's objective is total return in excess of that of its benchmark, the J.P. Morgan Emerging Markets Bond Index Global Diversified (EMBIG-D). The Fund invests substantially all of its assets in Class III shares of GMO Emerging Country Debt Fund, which invests primarily in external debt of sovereigns and quasi-sovereigns.

GMO's Emerging Country Debt team focuses on bottom-up issue selection, seeking to find issues with similar default characteristics but better long-term total return potential than the issues in EMBIG-D. We believe that our approach provides value-oriented clients with long-term investment objectives a significantly higher likelihood of outperforming the EMBIG-D than the approaches employed by other emerging debt managers who focus on economic forecasting, market timing, and other macro/top-down approaches.

MAJOR PERFORMANCE DRIVERS

The J.P. Morgan EMBI Global Diversified (EMBIG-D) benchmark returned -3.9% for the quarter. The index's spread over Treasuries tightened by 9 bps, finishing at 187 bps, resulting in a -0.1% spread return. The 10-year Treasury yield rose by 82 bps to 5.28%, resulting in a -3.7% interest rate return.

The portfolio generated positive alpha from country selection and negative alpha from security selection and other portfolio attributes during the period. The portfolio's overweight positions in Lebanon (+17.0%) and Venezuela (+1.7%) contributed positively to country selection alpha. Additional positive impacts came from overweight positions in Cameroon (+1.9%) and Mozambique (+8.3%). However, these gains were partly offset by negative impacts from overweight positions in Argentina (-8.7%), Ukraine (-7.3%), and Ecuador (-5.9%). Underweight positions in China (-1.8%) and Angola (-0.8%) also detracted from performance.

In-index countries had a mixed impact on security selection alpha, with Peru and Panama making significant positive contributions, while Turkey and Mexico were notable detractors. Among out-of-index contributions, Tunisia and Albania positively impacted the portfolio, whereas Israel and the United Arab Emirates slightly detracted from alpha. In the quasi-sovereign category, Peru contributed positively, whereas Turkey was a significant detractor.

As of the end of the period, the portfolio's largest overweights are Venezuela, Turkey, and Argentina, while the largest underweights are China, Indonesia, and Malaysia. Notable changes in the portfolio include an increased overweight in Poland and India, while the overweight positions in Turkey, Brazil, and Mexico decreased. Additionally, the underweight position in South Africa decreased.

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

	Quarter-End	*YTD*	*1-Year*	*3-Year*	*5-Year*	*10-Year*	*Since Inception*
Emerging Country Debt Shares Fund (net)	-3.88	2.90	-	-	-	-	2.90
Emerging Country Debt Shares Fund (gross)	-3.72	3.37	-	-	-	-	3.37
J.P. Morgan EMBI Global Diversified	-3.86	-0.75	-	-	-	-	-0.75
Value Add	-0.01	+3.65	-	-	-	-	+3.65

Net of all fees and expenses after reimbursement by the Manager, but not transaction costs, if any. If certain expenses were not reimbursed, performance would be lower. Gross of fees, expenses and transaction costs, if any. If these fees, expenses and costs were included, performance would be lower. **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 to the most recent month-end, visit www.gmo.com.**

Inception Date: 13-Jan-26

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.

Risks: Risks associated with investing in the Fund may include: (1) Credit Risk: 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; (2) Market Risk - Fixed Income Investments: the market price of a fixed income investment can decline due to a number of 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); and (3) Illiquidity Risk: Low trading volume, lack of a market maker, large position size, or legal restrictions may limit or prevent the Fund from selling particular securities or closing derivative positions at desirable prices. For a more complete discussion of these and other risks, please consult the Fund's Prospectus. **Performance Returns:** Annualized Returns may include the impact of purchase premiums and redemption fees. The GMO Trust funds are distributed in the United States by Funds Distributor LLC. GMO and Funds Distributor LLC are not affiliated.

Net Expense Ratio: 0.80%; Gross Expense Ratio: 2.06% Net Expense Ratio reflects the reduction of expenses from fee reimbursements. The fee reimbursements will continue until at least 30 June 2027. Elimination of this reimbursement will result in higher fees and lower performance. Gross Expense Ratio is equal to the Funds Total Annual Operating Expenses set forth in the Funds most recent prospectus dated 30 June 2026.

IMPORTANT INFORMATION

An investor should consider the fund's investment objectives, risks, charges and expenses before investing. This and other important information can be found in the funds prospectus. To obtain a prospectus please visit www.gmo.com. Read the prospectus carefully before investing.

Benchmark(s): The J.P. Morgan EMBI (Emerging Markets Bond) Global Diversified Index is an independently maintained and widely published uniquely weighted U.S. dollar-denominated emerging markets sovereign index comprised of Brady bonds, Eurobonds, traded loans, and market debt instruments issued by sovereign and quasi-sovereign entities.

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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