

EMERGING COUNTRY DEBT FUND

OVERVIEW

The GMO Emerging Country Debt 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 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.

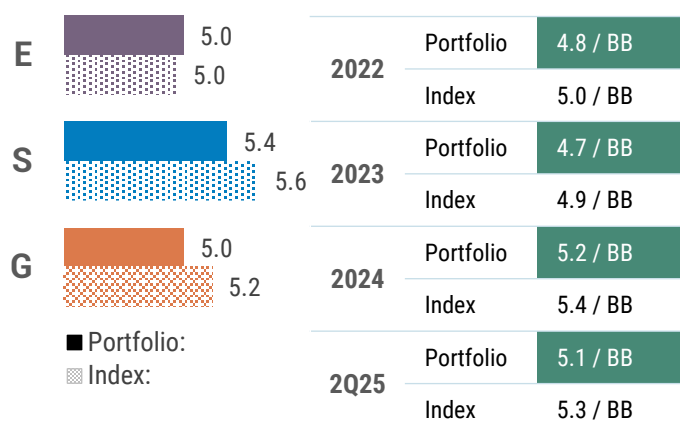
The Fund is not managed to achieve any targets with respect to the ESG Outcomes, Climate-Focused Outcomes and Stewardship Activity set out within this ESG report. Accordingly, the data is for information only.

FACTS

Share Class	Class III
Share Class Ticker	GMCDX
Share Class Inception	19-Apr-94
Fund Inception	19-Apr-94
Total Assets	\$2.3bn USD
Benchmark	J.P. Morgan EMBI Global Diversified +

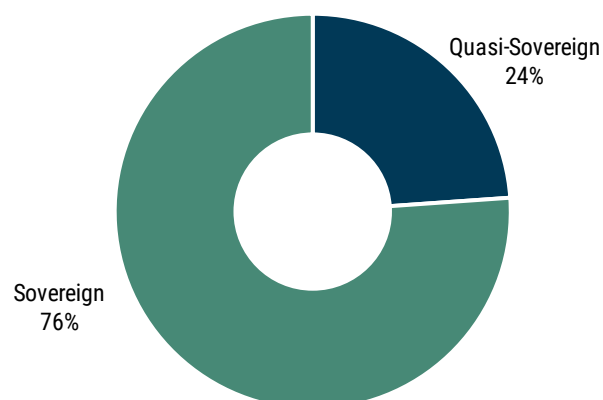
ESG CHARACTERISTICS

MSCI SOVEREIGN ESG SCORES & RATINGS



Source: MSCI

ASSET MIX OF FUND (% of Market Value of Fund)



TOP 5 MSCI COUNTRY ESG SCORES AND RATINGS

	ESG Score	ESG Rating
Uruguay	6.4	A
Latvia	6.4	A
Chile	6.4	A
Poland	6.4	A
UAE	6.1	BBB

BOTTOM 5 MSCI COUNTRY ESG SCORES AND RATINGS

	ESG Score	ESG Rating
Venezuela	3.7	CCC
Iraq	3.7	CCC
Lebanon	3.4	CCC
Pakistan	3.4	CCC
Russia	3.2	CCC

As of 30 June 2025

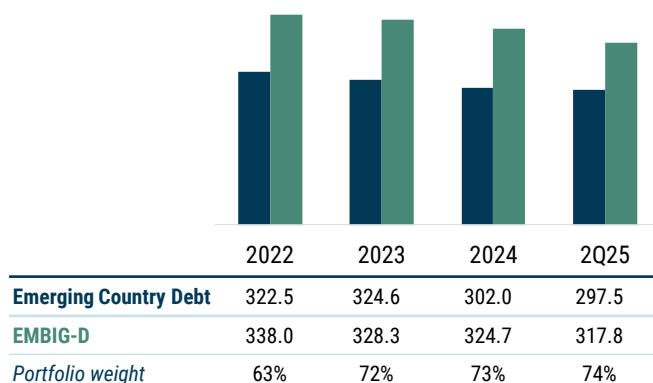
MSCI ESG ratings are according to MSCI ESG Research data and ratings. The portfolio has 99% coverage as of June 2025. The sovereign scores exclude: quasi-sovereign, corporate, and U.S. bonds, as well as cash and foreign exchange. MSCI data may not be reproduced or used for any other purpose. MSCI provides 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.

EMERGING COUNTRY DEBT FUND

SOVEREIGN CARBON FOOTPRINT

Portfolio-weighted tCO₂e/\$GDP

The sovereign carbon footprint declined to 297.5 between 2024 and 2Q25.

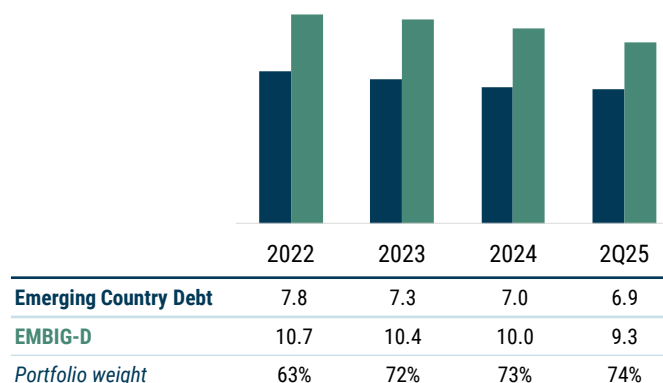


Source: EDGAR Community GHG Database

SOVEREIGN EMISSIONS PER CAPITA

Portfolio weighted tCO₂e/capita

The weighted average Sovereign Emissions per capita was lower than the benchmark.



Source: EDGAR Community GHG Database

TOP AND BOTTOM COUNTRIES

Country	tCO ₂ e/capita
Bahrain	35.2
Abu Dhabi	26.3
Oman	23.4
Saudi Arabia	22.2
Russia	8.7
Ethiopia	1.4
Benin	1.3
Cote d'Ivoire	1.1
Mozambique	1.0
Rwanda	0.5

Source: EDGAR Community GHG Database

TRANSITION COMMITMENT

Over 50% of the sovereign debt investments were covered by a net zero target

Sovereign		
Net Zero	Fund	52%
	Benchmark	62%
Other	Fund	20%
	Benchmark	18%
No Target	Fund	3%
	Benchmark	0%

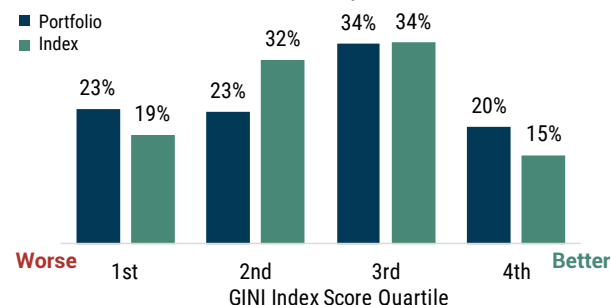
Source: Net Zero Tracker. Energy and Climate Intelligence Unit, Data-Driven EnviroLab, NewClimate Institute, Oxford Net Zero. 2024.

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SOVEREIGN CHARACTERISTICS NOTE: QUANTILES CALCULATED ACROSS ALL COUNTRIES, NOT JUST EM

GINI INDEX

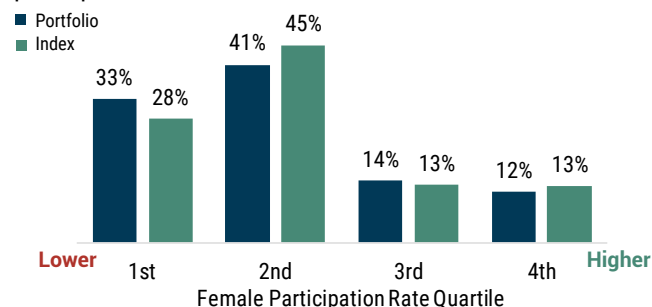
Over half the portfolio's sovereign investments had GINI Index Scores in the 3rd and 4th quartiles.



Sources: GINI measures the extent to which the distribution of income in the population deviates from a perfectly equal distribution. Values range from 0 (best) to 100 (worst). World Bank, UNU WIDER, WHO, CIA, national sources sourced through MSCI.

FEMALE WORKFORCE PARTICIPATION

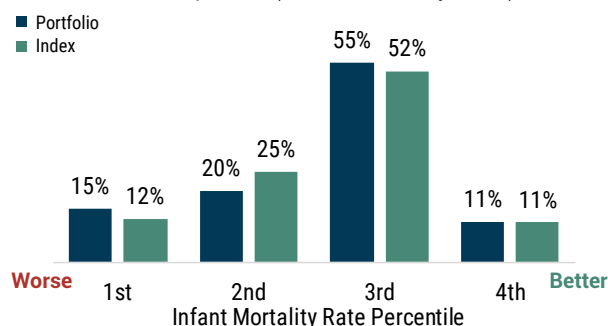
26% of the sovereign investments had above-median female participation rates, similar to the benchmark.



Source: International Labour Organisation (ILO) modelled Estimates (Nov 2024)

INFANT MORTALITY RATES

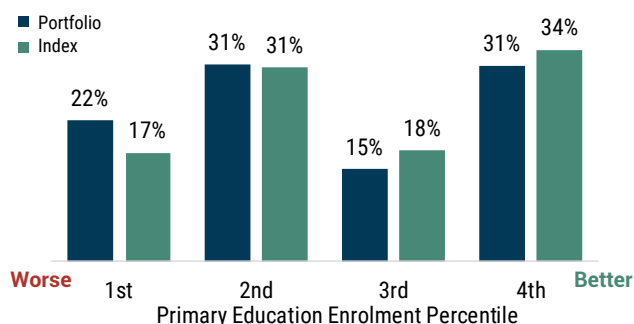
11% of the sovereign investments had infant mortality rates in the best quartile (lowest mortality rates).



Source: The number of infants dying before reaching one year of age per thousand live births in a given year, based on constant fertility and mortality rates. UNDESA sourced through MSCI.

PRIMARY EDUCATION ENROLMENT

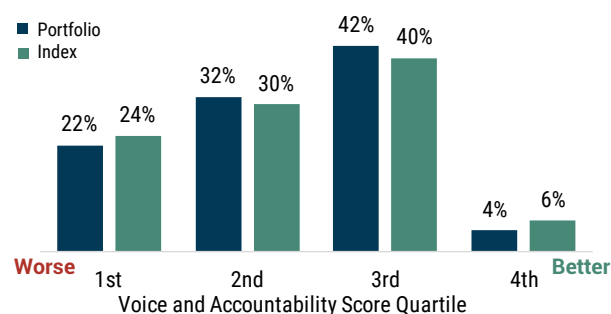
31% of the sovereign investments were in the top quartile of enrolment levels.



Data sources: World Bank, UNESCO, UNICEF, national scores sourced through MSCI

VOICE AND ACCOUNTABILITY SCORE

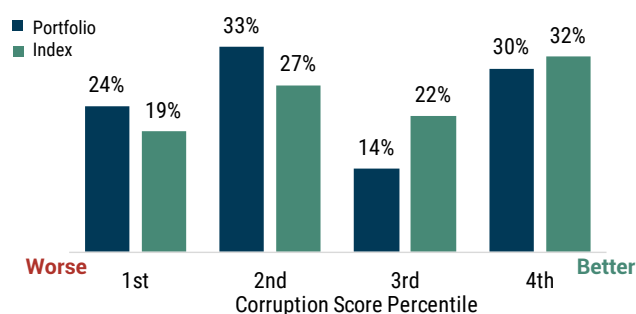
46% of the sovereign investments had a Voice and Accountability Score in the top two quartiles.



Data source: Perceptions of the extent to which a country's citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association, and a free media. Scores range from 2.5 (best) to -2.5 (worst). World Bank sourced through MSCI.

CORRUPTION PERCEPTION

Only 44% of the sovereign investments had a Corruption Score that was above the median. This was lower than the benchmark.



Source: Perceptions of public-sector corruption. Values range from 100 (best) to 0 (worst). Transparency International sourced through MSCI.

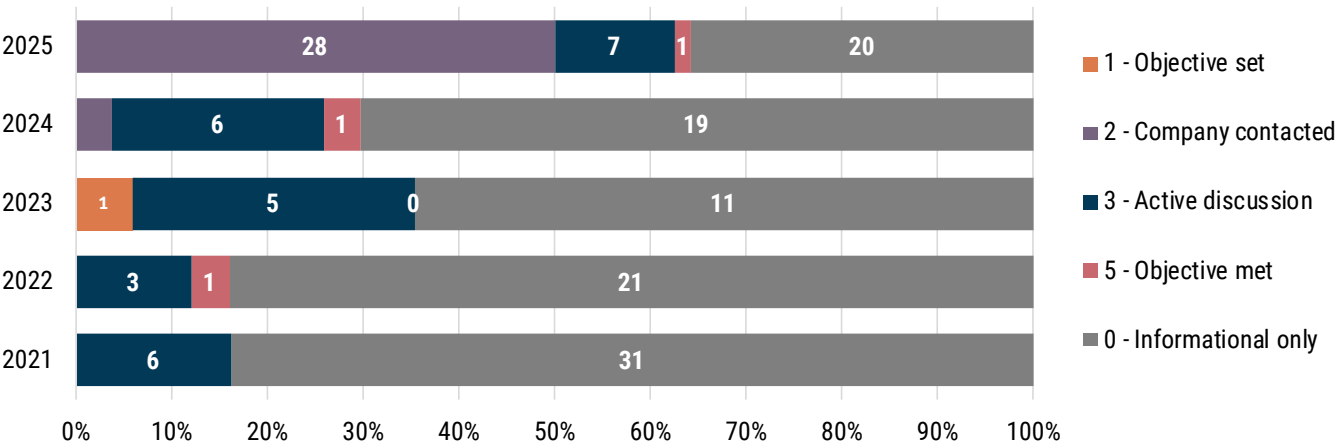
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STEWARDSHIP ACTIVITY

TEAM ENGAGEMENTS

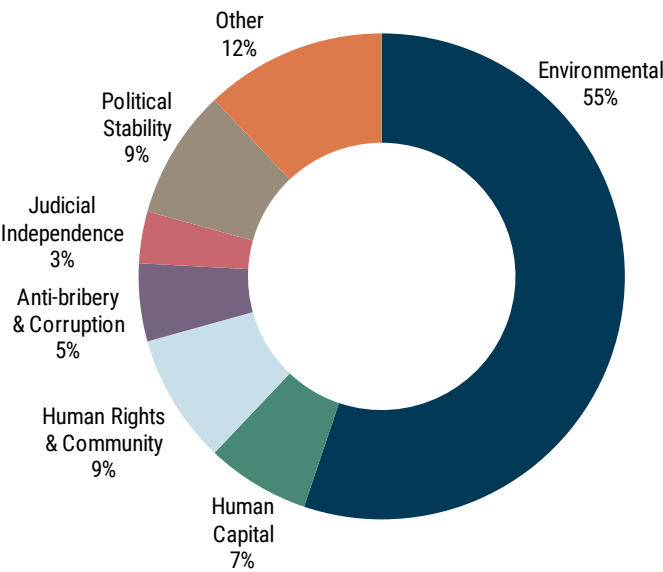
For the 12 months ended 30 June 2025 there were 36 engagements in progress or completed.
The team had discussions with 20 issuers for information gathering or due diligence purposes only.

Rolling 12-months ended:



TEAM ENGAGEMENT TOPICS

12-months ending 2Q25



ENGAGEMENT CASE STUDY

Issuer	Sri Lanka
Dates	30 September 2024 – 24 November 2024
Objective	Address tax evasion and governance standards in budgetary process
Actions	GMO, along with a few other managers, proposed a governance-linked bond as part of the debt restructuring package. The bond's coupon would be reduced if the government meets certain KPIs related to corruption reduction and tax governance by 2028
Outcomes	Sri Lanka agreed to issue a governance-linked bond (GLB) that will provide debt service relief through a 75-bps lowering in the coupon upon achievement of KPIs related to reducing tax evasion and governance standards in the budgetary process

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GLOSSARY OF TERMS

MSCI Pillar Scores: Shows country-level and company-level ESG pillar and aggregate scores for the current quarter end. Environmental, Social, and Governance pillar scores are the weighted average of all key issues that fall under each pillar.

MSCI Aggregate Country Scores: The aggregate country ESG score is determined by calculating the weighted average risk management score and the weighted average risk exposure score. The final rating score is constrained by the country's risk management score. The score is translated to a letter grade, which ranges from AAA (>8.00) to CCC (<3.85).

Sovereign Carbon Footprint: Shows the weighted average metric tonnes of sovereign production greenhouse gas (GHG) emissions equivalent per dollar of GDP (tCO₂e/\$GDP) per year for the sovereign bonds in the portfolio. GHG emissions are sourced from EDGAR (Emissions Database for Global Atmospheric Research) Community GHG Database (a collaboration between the European Commission, Joint Research Centre (JRC), the International Energy Agency (IEA), and comprising IEA-EDGAR CO₂, EDGAR CH₄, EDGAR N₂O, EDGAR F-GASES version EDGAR_2024_GHG (2024) European Commission. GDP is sourced from the World Bank through EDGAR and is in constant 2017 international dollars, expressed as US dollars.

Sovereign Emissions per Capita: Shows the weighted average metric tonnes of sovereign production greenhouse gas (GHG) emissions equivalent per capita (tCO₂e/capita) per year for the sovereign bonds in the portfolio. GHG emissions are sourced from EDGAR (Emissions Database for Global Atmospheric Research) Community GHG Database (a collaboration between the European Commission, Joint Research Centre (JRC), the International Energy Agency (IEA), and comprising IEA-EDGAR CO₂, EDGAR CH₄, EDGAR N₂O, EDGAR F-GASES version EDGAR_2024_GHG (2024) European Commission.

SOVEREIGN CHARACTERISTICS

For each of the selected sovereign metrics, we calculate the percentile ranking for each country across all markets, developed and emerging. Then we show what per cent of the portfolio falls within each quartile bucket.

GINI Index: GINI measures the extent to which the distribution of income in the population deviates from a perfectly equal distribution. Values range from 0 (best) to 100 (worst). Data sources: World Bank, UNU WIDER, WHO, CIA, national sources.

Female Workforce Participation: Shows the percentage of women who participate in the labour force, based on ILO modelled estimates as of November 2024.

Infant Mortality Rates: The number of infants dying before reaching one year of age per thousand live births in a given year, based on constant fertility and mortality rates. Data source: UNDESA.

Primary Education Enrolment: Percentage of primary-school-age children enrolled in primary or secondary education. Data sources: World Bank, UNESCO, UNICEF, national sources.

Voice and Accountability Score: Perceptions of the extent to which a country's citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association, and a free media. Scores range from 2.5 (best) to -2.5 (worst).

Corruption Perception: Perceptions of public-sector corruption. Values range from 100 (best) to 0 (worst). Data source: Transparency International.

ABOUT GMO

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

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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

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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.

Risks associated with investing in the Fund may include: (1) Market Risk - Equities: The market price of an equity may decline due to factors affecting the issuer or its industry 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. (2) Management and Operational Risk: The risk that GMO's investment techniques will fail to produce desired results. (3) Focused Investment Risk: The Fund invests its assets in the securities of a limited number of issuers, and a decline in the market price of a particular security held by the Fund may affect the Fund's performance more than if the Fund invested in the securities of a larger number of issuers. For a more complete discussion of these risks and others, please consult the Fund's prospectus.

Benchmark(s): The J.P. Morgan EMBIG (Emerging Markets Bond Index Global) Diversified + is an internally maintained benchmark computed by GMO, comprised of (i) the J.P. Morgan EMBI+ Index through 12/31/1999, (ii) the J.P. Morgan EMBI Index Global through 2/28/2020, and the J.P. Morgan EMBI Index Global Diversified (iii) thereafter.

The J.P. Morgan EMBIG (Emerging Markets Bond Index Global) Diversified + is an unmanaged index. Its performance does not reflect fees, expenses, taxes, and other costs that apply to a managed fund. It is impossible to directly invest in an index.

The GMO Trust funds are distributed in the United States by Funds Distributor LLC. GMO and Funds Distributor LLC are not affiliated.

The past performance of the J.P. Morgan EMBIG (Emerging Markets Bond Index Global) Diversified + is not the past performance of the Emerging Country Debt Fund and does not indicate the future performance of the Emerging Country Debt Fund.

ESG Considerations. As described in the Fund summaries, GMO incorporates ESG (environmental, social, and governance) criteria in its investment process for some of the Funds in an effort to maximize risk-adjusted returns, a reflection of GMO's belief that ESG factors can have a meaningful impact on the long-term performance of companies and countries in which those Funds may invest. For those Funds, GMO's investment process generally seeks to identify material ESG-related risks of Fund investments, with some exceptions (such as cash, cash-like and certain derivatives investments). For example, in considering an investment in the equity of a particular company, GMO may consider: (1) environmental factors such as the company's carbon emissions and waste; (2) social factors such as the company's labor standards; and (3) governance factors such as the dilution of minority shareholders. The foregoing examples are provided solely to illustrate the types of ESG criteria GMO may consider in evaluating an investment. ESG criteria are some of the many factors that GMO considers in making investment decisions. Evaluation of ESG criteria with respect to a company, country or Fund may include criteria from a number of sources, including but not limited to third-party and proprietary ESG data/ratings, a company's public SEC filings, news and articles in the press, litigation-related information, statements from company executives and GMO estimates. The weight that ESG criteria are given, overall or individually, for a particular investment decision depends on GMO's assessment of their materiality and relevance to that investment decision. The consideration of ESG criteria as part of a Fund's investment process does not mean that the Fund pursues a specific "ESG" investment strategy (in fact, none of the Funds has an express ESG mandate or ESG investment objective), and GMO routinely makes investment decisions that are based in large part on non-ESG considerations. GMO's incorporation of ESG criteria in its investment process for a particular Fund does not mean that every investment or potential investment undergoes an ESG review, and GMO may not consider ESG criteria for every investment a Fund makes (such as, for example, in cases where ESG-related data for a company is unavailable).

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