BENCHMARK-FREE ALLOCATION

OVERVIEW

The GMO Benchmark-Free Allocation Strategy seeks to generate positive total return by allocating dynamically across asset classes, free from the constraints of traditional benchmarks.

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. GMO's Asset Allocation approach is flexible, not pre-determined by static allocations or benchmark-related ranges, constrained only by our unwillingness to overpay for an asset. We also seek to add value through security selection within both traditional and alternative asset classes.

FACTS

Strategy Inception	31-Jul-01
Composite Inception	31-Jul-01
Total Assets	$3.4bn USD
Index	CPI Index

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

	MTD	QTD	YTD	2025	2024	2023	2022	2021
Composite	-1.52	2.91	12.58	23.06	4.35	13.58	-2.84	2.94
Index	0.65	1.12	3.15	2.63	2.86	3.60	6.40	7.04

RISK PROFILE (5-YEAR TRAILING)

Sharpe Ratio	0.67
Standard Deviation	8.69
Max Port. Drawdown (31-Jan-22 - 30-Sep-22)	-12.23

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

	1 Year	3 Years	5 Years	10 Years	ITD
Composite	19.61	15.35	9.68	6.58	8.22
Index	3.68	3.03	4.17	3.39	2.57

PORTFOLIO MANAGEMENT



Ben Inker, CFA
Joined GMO in 1992
BA, Yale University



John Thorndike
Joined GMO in 2015
BA, Bowdoin College

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.

Performance Returns: 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. **GMO LLC claims compliance with the Global Investment Performance Standards (GIPS®). A Global Investment Performance Standards (GIPS®) Composite Report is available at www.gmo.com by clicking the GIPS® Composite Report link in the documents section of the strategy page. GIPS® is a registered trademark owned by CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. Actual fees are disclosed in Part 2 of GMO's Form ADV and are also available in each strategy's Composite Report.** Prior to January 1, 2012, the accounts in the Composite served as the principal component of a broader real return strategy. Beginning January 1, 2012, accounts in the composite have been managed as a standalone investment. Returns include a substantial, one-time litigation settlement recovery received on December 16, 2024. This event contributed 2.45% to 2024 annual performance, based on a representative account. Performance for other periods, including this date, was also positively impacted, sometimes materially. Without this recovery, performance would have been lower in both absolute terms and relative to the benchmark. Returns include a substantial, one-time proceed from the sale of certain Russian securities. The one-time sale of these securities contributed 0.93% (1-day performance impact), based on a representative account. Performance for other time periods was also positively impacted. Without these proceeds, performance would have been lower. Additional information is available upon request. The portfolio is actively-managed, is not managed relative to a benchmark and uses an index for performance comparison purposes only and, where applicable, to compute a performance fee.

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PORTFOLIO ALLOCATIONS (%)

Asset Class	Exposure
EQUITY	**43.7**
International Opportunistic Value	8.6
Japan Fundamental Value	6.1
Japan Small Value	1.9
Developed ex-US	4.9
US Opportunistic Value	4.8
Domestic Resilience	1.0
Resource Equity	2.8
Developed ex-US Small Cap Value	4.8
Emerging Markets	8.8
ALTERNATIVE STRATEGIES	**29.7**
Equity Dislocation	14.6
Emerging FX	1.9
Alternative Allocation	13.1
FIXED INCOME	**26.6**
ABS/Structured Products	1.9
US Nominals	13.3
US TIPS	11.4

EQUITY SECTORS (%)

Sector	Portfolio
Communication Services	3.8
Consumer Discretionary	10.6
Consumer Staples	6.1
Energy	8.3
Financials	22.9
Health Care	7.7
Industrials	14.8
Information Technology	16.4
Materials	7.2
Real Estate	1.8
Utilities	0.5

EQUITY REGIONS (%)

Region	Portfolio
Japan	30.6
Emerging	21.9
Europe ex UK (Developed)	19.0
United States	12.8
Other International	10.5
United Kingdom	5.2

EQUITY CHARACTERISTICS

	Portfolio
Price/Earnings - Hist 1 Yr Wtd Mdn	13.0x
Price/Book - Hist 1 Yr Wtd Avg	1.5x
Return on Equity - Hist 1 Yr Mdn	12.8%
Dividend Yield - Hist 1 Yr Wtd Avg	3.2%
Market Cap - Wtd Mdn Bil	16.2 USD

EQUITY TOP COUNTRIES (%)

Country	Portfolio
Japan	30.7
United States	12.9
Taiwan	6.7
Canada	6.1
United Kingdom	5.3
South Korea	4.9
France	3.9
China	2.9
Spain	2.8
Netherlands	2.5

FIXED INCOME CHARACTERISTICS

	Portfolio
Effective Duration	2.7

FIXED INCOME CREDIT RATINGS (%)

	%
AAA	3.0
AA	95.6
A	0.1
BBB	0.1
BB	0.2
B	0.1
NR	0.2
D	0.1
CCC	0.3
CC	0.1
C	0.1

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IMPORTANT INFORMATION

Index(es): The CPI (Consumer Price Index) for All Urban Consumers US All Items is published monthly by the U.S. government as an indicator of changes in price levels (or inflation) paid by urban consumers for a representative basket of goods and services. CPI Index returns are typically reported on the 15th of the month. The CPI data reported may not include the most recent month-end which could impact the data that GMO has provided.

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.

GLOSSARY

Characteristics: Based on equity holdings.Based on equity holdings. This portfolio continues to hold de minimis Russian exposure as a result of past positioning and ongoing illiquidity. GMO has suspended net new purchases of Russian securities firm-wide. **Credit Ratings:** The credit ratings above may encompass emerging debt, developed rates, and asset-backed exposures. Ratings for the developed rates exposures are derived by taking the lowest issue level rating between Standard and Poor's & Moody's scores and rolling these up into the portfolio's overall quality brackets. Ratings for emerging debt are determined using the middle of the Moody's, S&P, and Fitch ratings when all three are available, the lower of the two ratings when two ratings are available, and the sole rating when only one rating is available. Ratings for the asset-backed exposures are derived by using the lowest rating among rating agencies at the issue level. Final credit ratings are expressed based upon Standard and Poor's ratings scale. Standard & Poor's rates securities from AAA (highest quality) to C (lowest quality), and D to indicate securities in default; some securities are not rated and are included in the NR category. BB and below are considered below investment grade securities. Please refer to our website for additional information: https://www.gmo.com/americas/benchmark-disclaimers/ **Portfolio Allocations:** Weightings are as of the date indicated and are subject to change. The groups indicated above represent exposures determined pursuant to proprietary methodologies and are subject to change over time. Totals may vary due to rounding. **Region Exposures:** Based on equity holdings.
Risk Statistics: Risk profile data is net of fees. Sharpe Ratio is the return over the risk free rate per unit of risk. Std Deviation is a measure of the volatility of a portfolio. Drawdown is based on the portfolio's worst performance over the period based on monthly observations.
Sector Exposures: The Global Industry Classification Standard (GICS) is the exclusive intellectual property of MSCI Inc. (MSCI) and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. (S&P). Neither MSCI, S&P, nor any third party makes any representations or warranties, express or implied, with respect to GICS or the results to be obtained by the use thereof, and expressly disclaim all warranties, including of merchantability and fitness for a particular purpose. Neither MSCI, S&P, nor any third party shall have any liability for any damages of any kind relating to the use of GICS.Based on equity holdings. **Top Holdings:** Based on equity holdings. Holdings are subject to change and should not be considered a recommendation to buy individual securities. This portfolio continues to hold de minimis Russian exposure as a result of past positioning and ongoing illiquidity. GMO has suspended net new purchases of Russian securities firm-wide.
Please refer to https://www.gmo.com/americas/glossary-of-terms/ for additional portfolio characteristic definitions.

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