INTERNATIONAL EQUITY

OVERVIEW

The GMO International Equity Strategy seeks to generate high total return by investing primarily in non-U.S. developed market equities. The Strategy measures its performance against the MSCI World ex USA Index for performance comparison purposes.

The Strategy's investment approach is grounded in the Systematic Equity team's belief that, in the short term, equity markets exhibit exploitable inefficiencies as a result of irrational investor actions, the imperfect flow of information, and the participation of non-economic actors, while in the long term, returns are ultimately driven by economic reality. The Strategy aims to take advantage of this inefficiency by utilizing a multi-factor valuation model in conjunction with other methods, such as momentum and corporate alerts, to identify mispriced equity securities.

FACTS

Strategy Inception	31-Mar-87
Composite Inception	31-Mar-87
Total Assets	$5.1bn USD
Index	MSCI World ex USA +
Alternate Index	MSCI World ex USA Value

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

	MTD	QTD	YTD	2025	2024	2023	2022	2021
Composite	-1.61	2.35	20.78	43.66	13.32	20.60	-10.58	12.07
Index	-3.27	0.89	10.42	31.22	3.82	18.24	-14.45	11.26
Alternate Index	-2.91	3.71	14.96	42.23	6.65	18.48	-5.64	13.26

RISK PROFILE (5-YEAR TRAILING)

Alpha (Jensen's)	7.65
Beta	0.95
R Squared	0.90
Sharpe Ratio	0.83
Standard Deviation	15.43

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

	1 Year	3 Years	5 Years	10 Years	ITD
Composite	32.81	28.74	16.71	12.24	8.48
Index	15.79	18.43	9.34	9.08	7.20
Alternate Index	24.33	23.70	14.72	10.40	7.41

PORTFOLIO MANAGEMENT



George Sakoulis
Joined GMO in 2020
MA & PhD, University of Washington



Warren Chiang, CFA
Joined GMO in 2015
MBA, University of California, Berkeley

Risks: Risks associated with investing in the Strategy may include: (1) 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; (2) 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; and (3) Management and Operational Risk: the risk that GMO's investment techniques will fail to produce desired results, including annualized returns and annualized volatility. 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.** Returns include a substantial, one-time litigation settlement recovery received on December 16, 2024. This event contributed 5.25% 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. Additional information is available upon request. Returns reflect a significant, one-time increase to the net assets on November 26, 2025 attributable to European Union discriminatory tax refunds. These refunds contributed 5.18% to 2025 annual performance, based on a representative account. Returns for other periods that include the date/period mentioned above were also positively impacted, sometimes substantially. In the absence of the refunds, performance would have been lower, both in absolute terms and relative to the benchmark. Additional information is available upon request. The Index used for performance reporting purposes changed from the MSCI EAFE Index to the MSCI World ex USA Index effective June 30th, 2026. 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.

INTERNATIONAL EQUITY

CHARACTERISTICS

	Portfolio	Index
Price/Earnings - Forecast 1 Yr Wtd Mdn	12.3x	15.8x
Price/Earnings - Hist 1 Yr Wtd Mdn	15.8x	19.9x
Price/Book - Hist 1 Yr Wtd Avg	1.7x	2.4x
Price/Cash Flow - Hist 1 Yr Wtd Mdn	9.8x	12.6x
Return on Equity - Hist 1 Yr Mdn	13.4%	15.2%
Debt/Equity - Wtd Mdn	0.6x	0.7x
Dividend Yield - Hist 1 Yr Wtd Avg	3.0%	2.6%
Market Cap - Wtd Mdn Bil	41.8 USD	71.0 USD
Number of Equity Holdings	171	719
Active Share	78.5%	N/A

SECTORS (%)

Sector	Portfolio	Index
Communication Services	4.1	3.6
Consumer Discretionary	6.4	7.4
Consumer Staples	3.1	6.1
Energy	4.8	5.5
Financials	31.5	28.0
Health Care	7.6	8.8
Industrials	22.1	17.7
Information Technology	15.2	11.0
Materials	4.6	7.2
Real Estate	0.2	1.3
Utilities	0.4	3.5

MARKET CAP BAND EXPOSURES ($B)

	Portfolio	Index
Small (5.9 & Below)	11.5	1.6
Small - Medium (5.9 To 20.2)	15.5	16.6
Medium (20.2 To 51.9)	30.3	23.9
Medium - Large (51.9 To 161.5)	27.6	36.1
Large (161.5 & Above)	15.1	21.8

TOP HOLDINGS

Company	Country	Sector	%
ASML Holding NV	Netherlands	Information Technology	4.2
Banco Bilbao Vizcaya Argentaria SA	Spain	Financials	3.1
Toronto-Dominion Bank/The	Canada	Financials	2.8
Panasonic Holdings Corp	Japan	Consumer Discretionary	2.7
Banco Santander SA	Spain	Financials	2.6
Vodafone Group PLC	United Kingdom	Communication Services	2.5
GSK PLC	United Kingdom	Health Care	2.4
Sanofi SA	France	Health Care	2.2
Toyota Tsusho Corp	Japan	Industrials	2.2
Unipol Assicurazioni SpA	Italy	Financials	2.1
Total			**26.8**

TOP COUNTRIES (%)

Country	Portfolio	Index
Japan	25.0	21.8
Canada	12.0	12.2
United Kingdom	10.3	12.6
Netherlands	9.2	5.3
France	8.1	8.3
Spain	6.9	3.5
Hong Kong	4.6	1.6
Switzerland	4.3	7.9
Germany	4.1	7.6
Singapore	3.4	1.6

REGIONS (%)

Region	Portfolio	Index
Europe (Developed)	51.5	55.9
Asia Pacific (Developed)	35.2	30.9
North America	12.0	12.2
Cash Equivalents	1.2	0.0
Africa & Middle East (Developed)	0.1	1.0

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IMPORTANT INFORMATION

Index(es): The MSCI World ex USA + Index is an internally maintained benchmark computed by GMO, comprised of (i) the MSCI EAFE (Europe, Australasia, and Far East) Value Index (MSCI Standard Index Series, net of withholding tax) through 06/30/2014, the (ii) the MSCI EAFE (Europe, Australasia, and Far East) Index (MSCI Standard Index Series, net of withholding tax) through 6/30/2026 and (iii) the MSCI World ex USA Index thereafter. 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 World ex USA Value Index (MSCI Standard Index Series, net of withholding tax) is an independently maintained and widely published index comprised of global developed markets, excluding the United States. 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 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

Risk Statistics: Risk profile data is net of fees. Alpha is a measure of risk-adjusted return. Beta is a measure of a portfolio's sensitivity to the market. R-Squared is a measure of how well a portfolio tracks the market. 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.
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. **Top Holdings:** Portfolio holdings are percent of equity. Where applicable, the top holdings are derived by looking through to the underlying portfolios in which the asset allocation strategy invests and, where appropriate, individual security positions are aggregated. They are subject to change and should not be considered a recommendation to buy individual securities. 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.
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.

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*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
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