

GMO OPPORTUNISTIC INCOME STRATEGY

OVERVIEW

The GMO Opportunistic Income Strategy seeks capital appreciation and current income by investing primarily in securitized credit securities.

FACTS

Strategy Inception Date	October 3, 2011
Benchmark	Bloomberg U.S. Securitized+
Total Assets as of 06/30/21	\$995mm USD

PORTFOLIO MANAGEMENT



Joe Auth, CFA

- Joined GMO in 2014
- 23 yrs industry experience
- M.B.A. from the University of Connecticut

Performance Net of Fees (USD)

TOTAL RETURN (%)

	<i>Portfolio</i>	<i>Bloomberg U.S. Securitized+</i>
MTD	0.10	-0.16
QTD	0.41	0.48
YTD	2.50	-0.27

ANNUAL TOTAL RETURN (%)

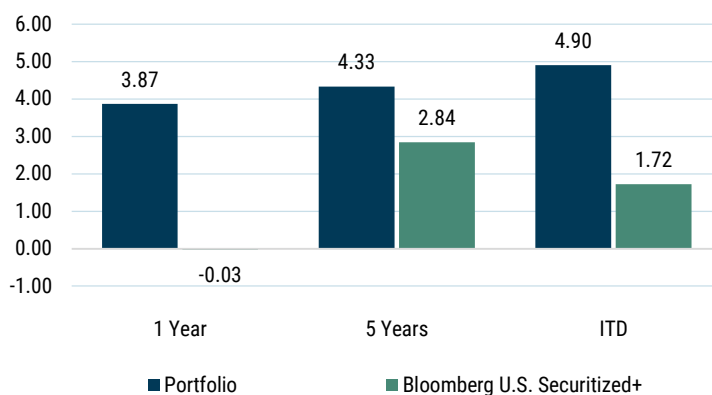
2020	3.24	4.18
2019	3.77	6.44
2018	3.94	0.99
2017	6.31	2.51
2016	5.04	1.11
2015	1.58	0.41
2014	4.35	0.35
2013	5.76	0.40
2012	11.90	0.82
2011	0.16	0.12

Returns shown for periods greater than one year are on an annualized basis.

Performance data quoted represents past performance and is not predictive of future performance. 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. **A Global Investment Performance Standards (GIPS®) Composite Report is available on 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.**

Risks associated with investing in the Strategy may include Credit Risk, Market Risk - Asset-Backed Securities, Illiquidity Risk, Focused Investment Risk, and Market Risk - Fixed Income.

ANNUALIZED RETURNS (%) AS OF 08/31/2021



Composite Inception Date: October 31, 2011

GMO OPPORTUNISTIC INCOME STRATEGY

RISK PROFILE - 5-YEAR TRAILING

	<i>Portfolio</i>	<i>Bloomberg U.S. Securitized+</i>
Alpha (Jensen's)	3.19	N/A
Beta	0.00	N/A
R Squared	0.00	N/A
Sharpe Ratio	1.04	0.90
Standard Deviation	3.07	1.89

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. Risk profile data is net.

CREDIT RATINGS (%)

AAA	48.7	B	7.6
AA	2.3	C-CCC	16.1
A	5.8	NR	5.3
BBB	5.3	D	2.7
BB	6.2		

The credit ratings above may encompass emerging debt, developed rates, and asset-backed exposure. Ratings for the emerging debt and developed rates portions of the portfolio are derived by taking the Standard and Poor's country ratings and applying these ratings to the country exposures of the portfolio. For the asset-backed portion of the portfolio, credit ratings 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 (NR). BB and below are considered below investment grade securities. Copyright 2021, S&P Global Market Intelligence. Reproduction of any information, data or material, including ratings ("Content") in any form is prohibited except with the prior written permission of the relevant party. Such party, its affiliates and suppliers ("Content Providers") do not guarantee the accuracy, adequacy, completeness, timeliness or availability of any Content and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such Content. In no event shall Content Providers be liable for any damages, costs, expenses, legal fees, or losses (including lost income or lost profit and opportunity costs) in connection with any use of the Content. A reference to a particular investment or security, a rating or any observation concerning an investment that is part of the Content is not a recommendation to buy, sell or hold such investment or security, does not address the suitability of an investment or security and should not be relied on as investment advice. Credit ratings are statements of opinions and are not statements of fact.

The Fund is the accounting and performance successor to GMO Debt Opportunities Fund, a former series of GMO Trust (the "Predecessor Fund"). The Predecessor Fund merged into the Fund (which was known as "GMO Short-Duration Collateral Fund" prior to the merger) on February 12, 2014. Performance of the Fund for periods prior to February 12, 2014 is that of the Predecessor Fund and reflects the Predecessor Fund's annual operating expenses (0.01% lower than those of the Fund immediately following the merger). For information regarding GMO Short-Duration Collateral Fund's performance history, please see page 236 of the Prospectus. From February 12, 2014 through December 31, 2016, the Fund operated as "GMO Debt Opportunities Fund" and had the same investment objective and pursued substantially identical investment strategies as the Predecessor Fund. Effective January 1, 2017, the Fund's investment objective changed from "positive total return" to "capital appreciation and current income" and, in conjunction with a change in the Fund's name from "GMO Debt Opportunities Fund" to "GMO Opportunistic Income Fund," the Fund eliminated its name policy that required the Fund to invest at least 80% of its assets in debt investments. Also effective January 1, 2017, the Fund's investment management fee increased from 0.25% to 0.40% of the Fund's average daily net assets. Performance of the Fund for periods prior to January 1, 2017 reflects the Fund's annual operating expenses during those periods, and would have been lower if the current management fee and annual operating expenses were in effect.

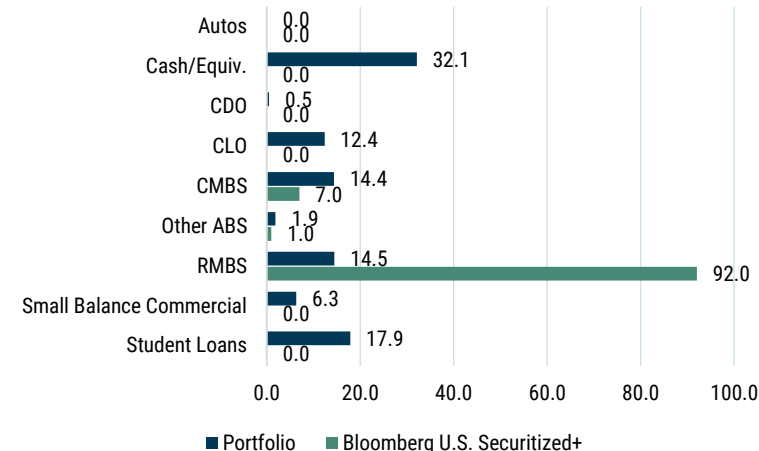
The Bloomberg U.S. Securitized + Index is an internally maintained benchmark computed by GMO, comprised of (i) the J.P. Morgan U.S. 3 Month Cash through 12/30/2016 and (ii) the Bloomberg U.S. Securitized thereafter.

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.

CHARACTERISTICS

	<i>Portfolio</i>
Spread Duration	1.1
Spread to LIBOR	81.1bps
Interest Rate Duration	0.9
Yield to Maturity	1.9%
Percent Floating Rate	85.8%

SECTORS (%)



About GMO: Founded in 1977, GMO is a private partnership whose sole business is investment management. The firm manages global portfolios with offices and clients around the world. Investment offerings include equity, fixed income, multi-asset class, and alternative strategies. GMO is known for blended fundamental and quantitative investment research expertise and a long-term orientation toward value opportunities.