

STRATEGY OVERVIEW

The GMO Resources Strategy seeks to deliver total return by investing in the equities of companies in the natural resources sector.

STRATEGY FACTS

Inception: 12/28/11

Benchmark: MSCI ACWI Commodity Producers Index

Assets: \$612 Million

Portfolio Management:

Lucas White
Tom Hancock

Risks:

Risks associated with investing in the Strategy may include Focused Investment Risk, Commodities Risk, Market Risk - Equities, Management and Operational Risk, and Non-U.S. Investment Risk.

About GMO:

Founded in 1977, GMO is an independently-owned, global institutional investment manager dedicated to providing our clients with superior investment advice and performance.

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INVESTMENT THESIS – THE CASE FOR RESOURCE EQUITIES

We believe the long-term supply and demand dynamics in the natural resources markets favor an upward trend in natural resource prices. More specifically, we believe that demand growth, driven by population growth and the development of the emerging markets, will put increasing pressure on the limited supply of cheap, easy to access natural resources.

We believe resource-linked equities are a liquid means of capturing this opportunity, allowing investors to harvest the equity risk premium, while avoiding the negative roll yields that intermittently detract from commodity futures' returns. In addition, resource-linked equities have historically provided inflation protection, diversification, strong absolute and relative returns, and exposure to global growth, making resource-linked equities a compelling investment opportunity.

INVESTMENT APPROACH

Investment Universe

Within each natural resource segment, the team identifies companies that we believe will benefit from a broad rise in resource prices. These companies are chosen from the global equity markets, including emerging markets, and across the entire size spectrum, providing the team broad stock selection opportunities.

Strategic Allocation

We use a set of long-term targets to steer the portfolio's allocation to segments of the natural resources sector. In setting targets, we attempt to balance the importance of each market segment with considerations of each segment's investability. Market segments for which targets are set include integrated oil & gas, oil & gas exploration & production, alternative energy, industrial metals, and farming & forestry.

Stock Selection

Stock selection is driven primarily by valuation-based modeling and balances the desire to provide diversified exposure to various segments of the resources market with the attractiveness of the different segments within the universe. We do not control risk relative to any benchmark, though we continuously monitor risk exposures.

DIFFERENTIATION OF OUR APPROACH

We believe our approach to be differentiated across a number of dimensions:

Targeted Universe Definition: We focus on identifying companies that we believe will benefit from a broad rise in resource prices, as opposed to companies that just do business in the resources sector.

Value Focus: Our value orientation and proprietary valuation models are unique in this space.

Resource Diversification: We have the ability to diversify across segments of the resource markets, ensuring that the Strategy is more than just an energy play.

Global Scope and Lack of Size Bias: We invest globally across the capitalization spectrum, allowing us to identify attractive investment opportunities wherever they may be.

Long-Term Perspective: As an independently-owned private partnership, GMO has the willingness and ability to take short-term risk in the pursuit of long-term returns; we believe this is particularly important when investing in the natural resources sector.

STRATEGY PROFILE

Exposures by Resources Segment

| Segment | Exposure |
|--|--------------|
| Energy | 34.3% |
| Fossil Fuels | 25.2% |
| Energy Drilling, Equipment, & Services | 1.3% |
| Clean Energy | 7.8% |
| Industrial Metals | 45.2% |
| Diversified Metals & Mining | 30.1% |
| Copper | 9.1% |
| Lithium | 6.0% |
| Agriculture | 15.0% |
| Agricultural Productivity | 5.6% |
| Farming | 4.9% |
| Precision Agriculture | 1.2% |
| Timber | 0.7% |
| Fish Farming | 2.7% |
| Water | 3.0% |
| Cash | 2.5% |

5-Year Risk Profile¹

| | Strategy | Benchmark |
|----------------|----------|-----------|
| Alpha | 5.48 | 0.00 |
| Beta | 1.05 | 1.00 |
| R ² | 0.87 | 1.00 |
| Sharpe Ratio | 0.08 | -0.19 |
| Std. Deviation | 20.62 | 18.27 |

Characteristics

| | Strategy | Benchmark |
|--|----------|-----------|
| Price/Earnings - Hist 1 Yr Wtd Median | 11.2 x | 12.7 x |
| Price/Book - Hist 1 Yr Wtd Avg | 1.4 x | 1.4 x |
| Return on Equity - Hist 1 Yr Med | 14.5 % | 12.0 % |
| Market Cap - Weighted Median \$Bil | \$6.1 | \$42.9 |
| Dividend Yield - Hist 1 Yr Wtd Avg | 3.5 % | 4.0 % |
| Number of Equity Holdings | 113 | 218 |
| Price/Cash Flow - Hist 1 Yr Wtd Median | 6.1 x | 6.5 x |

Top Holdings¹

| Company | Country | Segment | % of Equity |
|----------------------|----------------|--------------------|-------------|
| Freeport-McMoRan Inc | United States | Copper | 5.8 |
| Anglo American PLC | United Kingdom | Div. Metals/Mining | 4.5 |
| Bradespar S/A | Brazil | Div. Metals/Mining | 4.3 |
| NOVATEK GDR (USD) | Russia | Fossil Fuels | 4.0 |
| Rio Tinto PLC | United Kingdom | Div. Metals/Mining | 3.8 |
| Total | | | 22.4 |

¹ Alpha is a measure of risk-adjusted return; Beta is a measure of a portfolio's sensitivity to the market; R² 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.

² Portfolio holdings 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.

PERFORMANCE NET OF FEES

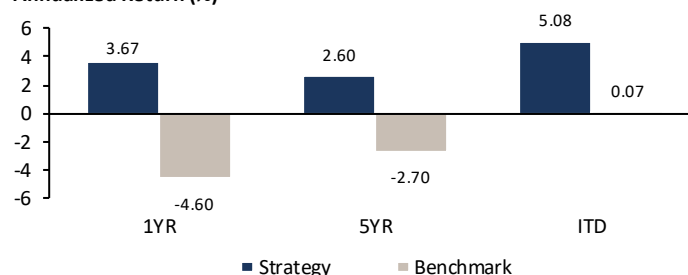
Total Return (%)

| | Strategy | Benchmark |
|----------|----------|-----------|
| 2Q 2019 | 1.48 | 0.20 |
| YTD 2019 | 13.66 | 13.48 |

Annual Total Return (%)

| | Strategy | Benchmark |
|------|----------|-----------|
| 2018 | -7.19 | -11.75 |
| 2017 | 28.36 | 13.70 |
| 2016 | 44.77 | 32.44 |
| 2015 | -22.06 | -25.83 |
| 2014 | -16.78 | -14.69 |
| 2013 | 4.39 | 3.31 |
| 2012 | 9.23 | 1.96 |

Annualized Return (%)



Performance data quoted represents past performance and is not predictive of future performance. Returns are shown after the deduction of management fees, transaction costs and other expenses, but before custody charges, withholding taxes, and other indirect expenses. The returns assume the reinvestment of dividends and other income.

Performance is shown for the GMO Resources Composite. The inception date of the Composite is 12/31/11.

The MSCI ACWI (All Country World) Commodity Producers Index (MSCI Standard Index Series, net of withholding tax) is an independently maintained and widely published index comprised of listed large and mid capitalization commodity producers within the global developed and emerging markets. 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.