GMO TACTICAL OPPORTUNITIES STRATEGY

OVERVIEW

The GMO Tactical Opportunities Strategy seeks downside protection by implementing a long-short investment strategy. It is intended to complement other investment strategies rather than serve as a standalone investment. The Strategy invests in high quality securities and shorts low quality securities, taking advantage of the innate risk characteristics of high quality and junk.

FACTS

Strategy Inception Date	September 30, 2004
Benchmark	FTSE 3-Mo. T-Bill
Total Assets as of 09/30/21	$38mm USD

PORTFOLIO MANAGEMENT

Tom Hancock
- Joined GMO in 1995
- 26 yrs industry experience
- Ph.D. from Harvard University

Performance Net of Fees (USD)

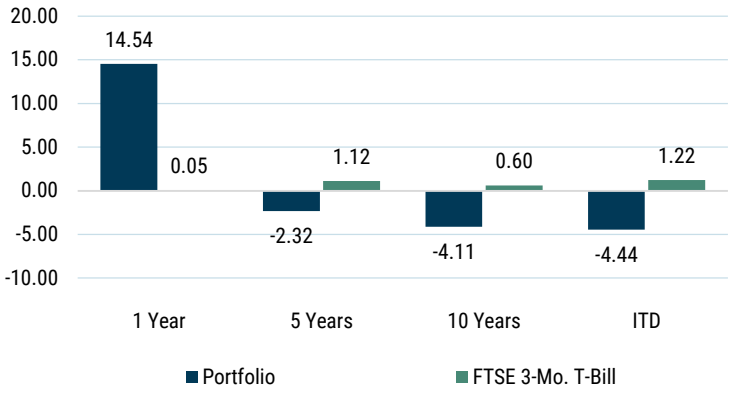
TOTAL RETURN (%)

	Portfolio	*FTSE 3-Mo. T-Bill*
MTD	5.34	0.00
QTD	5.94	0.01
YTD	17.29	0.04

ANNUAL TOTAL RETURN (%)

2020	-37.44	0.58
2019	-5.02	2.25
2018	10.79	1.86
2017	15.39	0.84
2016	-4.86	0.27
2015	6.46	0.03
2014	-2.47	0.03
2013	-9.65	0.05
2012	-18.36	0.07
2011	27.51	0.08

ANNUALIZED RETURNS (%) AS OF 11/30/2021



Composite Inception Date: September 30, 2004

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. **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: Short Investment Exposure Risks, Equities Risk, Focused Investment Risk, Currency Risks, and Futures Risks.

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CHARACTERISTICS

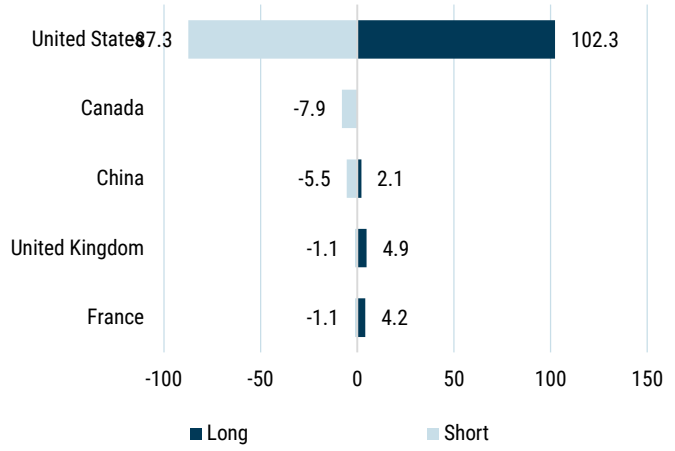
	Long	*Short*
Price/Earnings - Forecast 1 Yr Wtd Mdn	21.0x	38.5x
Return on Equity - Forecast 1 Yr Wtd Mdn	29.1%	9.0%
% Neg Earnings	4.1%	58.1%
Price/Book - Hist 1 Yr Wtd Avg	5.2x	3.1x
Dividend Yield - Hist 1 Yr Wtd Avg	1.4%	1.0%
Free Cash Flow Yield - Hist 1 Yr Wtd Avg	4.3%	0.1%
Market Cap - Wtd Mdn Bil	214.8 USD	14.7 USD
Number of Equity Holdings	42	312
% Long/Short	126.3%	117.0%
Net Debt/EBITDA - Hist 1 Yr Wtd Mdn	0.3x	2.0x

RISK PROFILE - 5-YEAR TRAILING

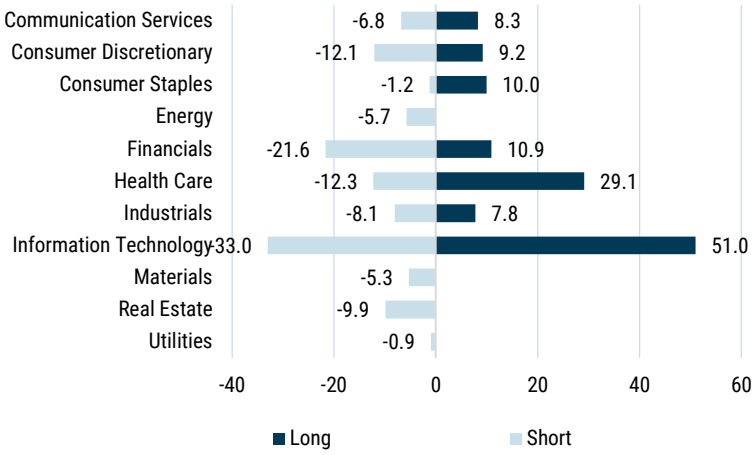
	Portfolio
Sharpe Ratio	-0.19
Standard Deviation	17.89
Max Port. Drawdown (12/31/2018 - 01/29/2021)	-43.21

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. Risk profile data is net.

TOP COUNTRIES (%)



SECTORS (%)



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The FTSE 3-Month Treasury Bill Index is an independently maintained and widely published index comprised of short-term U.S. Treasury bills.

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.

GMO

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.