

# GMO TAX-MANAGED BENCHMARK-FREE STRATEGY

## OVERVIEW

The Strategy seeks annualized after-tax returns greater than 5% nominal (net of fees) above the Consumer Price Index, as well as after-tax returns in excess of a custom tax-adjusted benchmark of 70% MSCI ACWI and 30% Bloomberg Barclays Municipal Bond 7-year (6-8) Index. GMO uses our multi-year forecasts of returns among asset classes, together with our assessment of the relative risks of such asset classes, to determine the asset classes in which the Strategy invests.

## PORTFOLIO MANAGEMENT



Ben Inker, CFA

- Joined GMO in 1992
- 28 yrs industry experience
- B.A. from Yale University



John Thorndike

- Joined GMO in 2015
- 16 yrs industry experience
- A.B. from Bowdoin College

Performance Net of Fees (USD)

### TOTAL RETURN (%)

	<i>Portfolio</i>	<i>CPI Index</i>
MTD	0.63	0.35
QTD	1.51	0.53
YTD	1.51	0.53

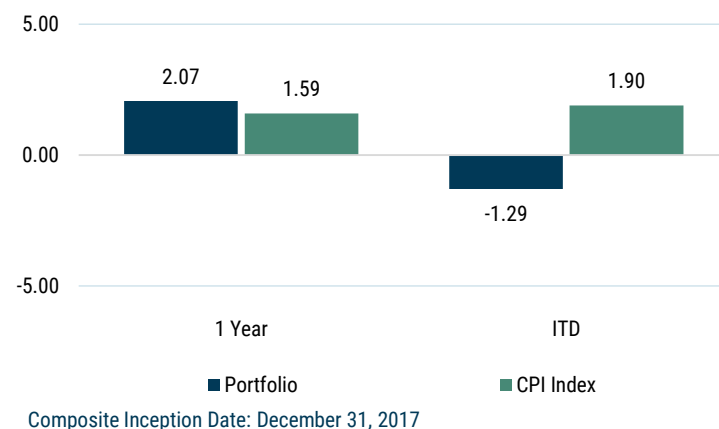
### ANNUAL TOTAL RETURN (%)

2020	-5.99	1.27
2019	9.72	2.28
2018	-8.33	1.92

## FACTS

Strategy Inception Date	December 31, 2017
Benchmark	CPI Index
Total Assets as of 12/31/20	\$53mm USD

## ANNUALIZED RETURNS (%) AS OF 02/28/2021



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

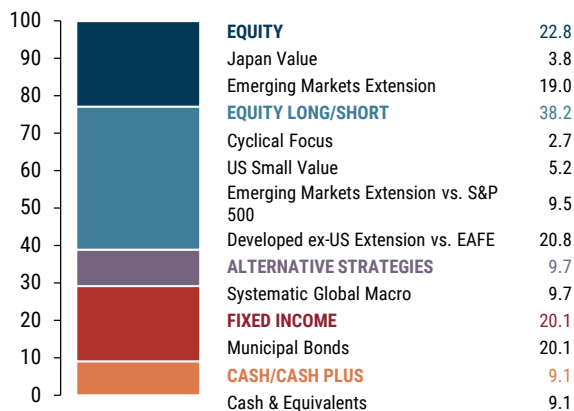
**Performance data quoted represents past performance and is not predictive of future performance.** Net returns are presented after the deduction of a model advisory fee and incentive fee if applicable. These returns include transaction costs, commissions and withholding taxes on foreign income and 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®) compliant presentation is available on GMO.com by clicking the GIPS® Compliant Presentation 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 compliant presentation. **To obtain performance information to the most recent month-end, visit [www.gmo.com](http://www.gmo.com).**

**An investor should consider the fund's investment objectives, risks, charges and expenses before investing. This and other important information can be found in the funds prospectus. To obtain a prospectus please visit [www.gmo.com](http://www.gmo.com). Read the prospectus carefully before investing.** The GMO Trust funds are distributed in the United States by Funds Distributor LLC. GMO and Funds Distributor LLC are not affiliated.

Risks associated with investing in the Strategy may include Tax-Management Risks, Equities Risks, Fixed Income Risks, Municipal Securities Risks, and Risks of Non-U.S. Investments.

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## 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. The above data reflects preliminary values through mid-month (generally 15th BD).

## RISK PROFILE - SINCE INCEPTION (12/29/2017)

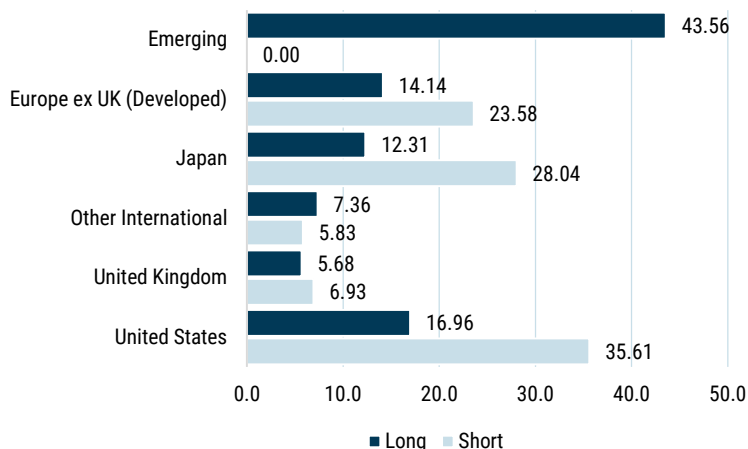
	<i>Portfolio</i>
Sharpe Ratio	-0.29
Standard Deviation	9.71
Max Port. Drawdown (12/29/2017 - 03/31/2020)	-18.52

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.

## EQUITY CHARACTERISTICS

	<i>Long</i>	<i>Short</i>
Price/Earnings - Hist 1 Yr Wtd Mdn	16.3x	31.9x
Price/Book - Hist 1 Yr Wtd Avg	1.2x	2.0x
Return on Equity - Hist 1 Yr Mdn	10.7%	10.4%
Dividend Yield - Hist 1 Yr Wtd Avg	3.3%	2.0%
Market Cap - Wtd Mdn Bil	10.1 USD	36.6 USD

## REGIONS (%)



Based on equity holdings. Exposures are shown as a % of the long/short book respectively.

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.

The above information is based on a representative account selected because it has the least number of restrictions and best represents the implementation of the strategy.



**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.