

FUND OVERVIEW

The GMO U.S. Equity Fund seeks to deliver high total return by investing primarily in U.S. equities.

FUND FACTS

Fund Identifier (Class III):

Ticker: GMUEX
Cusip: 362013 65 8

Inception: 9/18/85

Benchmark: Russell 3000 Index

Assets: \$858 Million

Portfolio Management:

Simon Harris
Josh White

Risks: Risks associated with investing in the Fund may include: (1) Market Risk - Equities: The market price of an equity may decline due to factors affecting the issuer or its industry 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) Management and Operational Risk: The risk that GMO's investment techniques will fail to produce desired results. (3) Focused Investment Risk: The Fund invests its assets in the securities of a limited number of issuers, and a decline in the market price of a particular security held by the Fund may affect the Fund's performance more than if the Fund invested in the securities of a larger number of issuers. For a more complete discussion of these risks and others, please consult the Fund's prospectus.

About GMO:

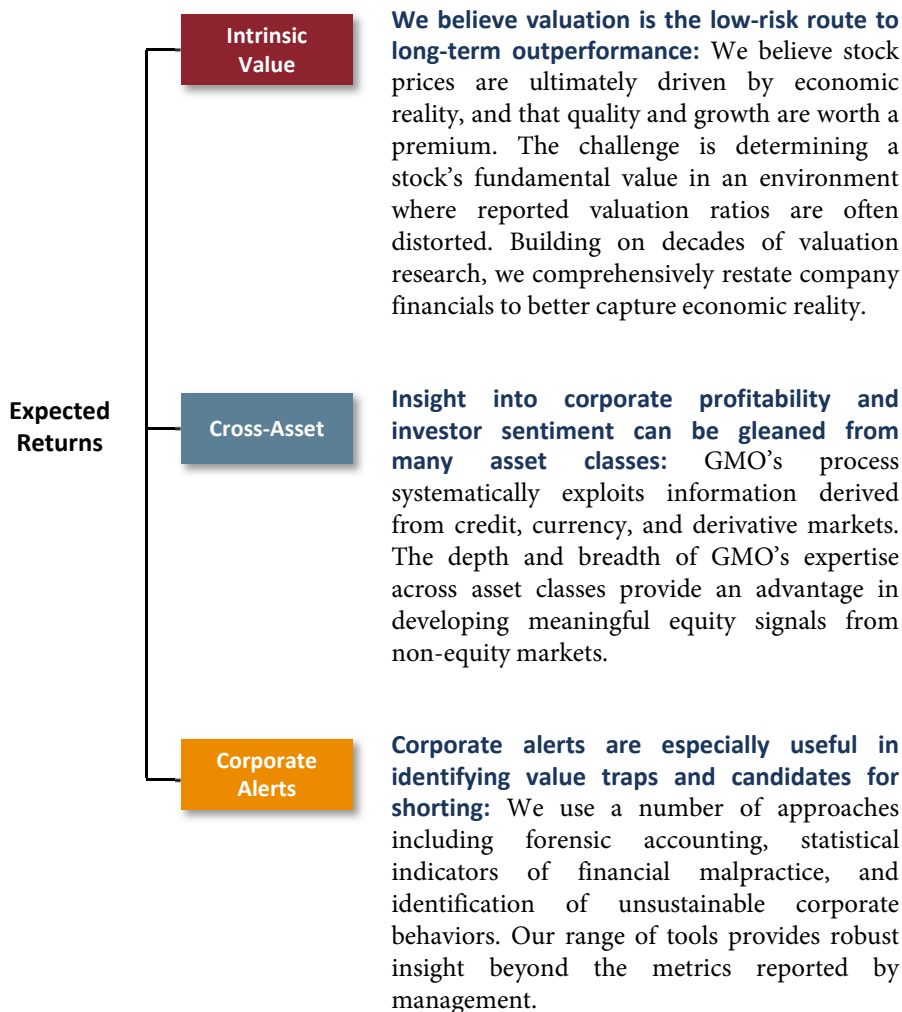
Founded in 1977, GMO is an independently-owned, global institutional investment manager dedicated to providing our clients with superior investment advice and performance.

Contact Us:

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(617) 330-7500 | www.gmo.com

INVESTMENT PHILOSOPHY

In the short run, global equity markets exhibit exploitable inefficiencies as a result of irrational investor behavior, the imperfect flow of information, and the participation of non-economic actors. In the long run, however, returns are ultimately driven by economic reality. The difference creates an opportunity for the Global Equity team to focus on valuation in conjunction with less traditional methods to identify mispriced equity securities. Key tenets of the team's systematic quantitative framework include:

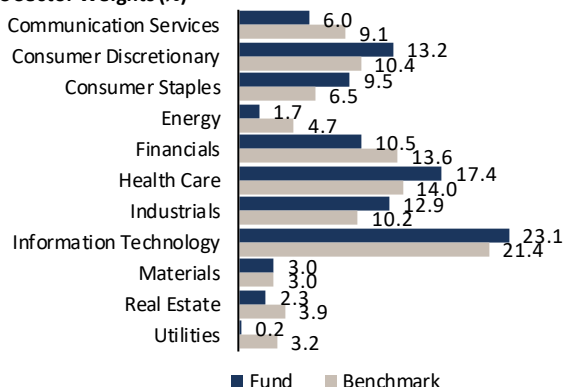


INVESTMENT APPROACH

GMO's U.S. Equity Fund seeks to outperform over a full market cycle by identifying mispriced assets (both cheap and expensive) through bottom-up security selection. We seek to add value by looking beyond traditional value metrics to understand a security's intrinsic value, taking into consideration a company's quality and growth prospects, and using alternative indicators of mispricing to gain a differentiated view into company fundamentals, including cross-asset and corporate governance signals. We then build a portfolio seeking to maximize expected alpha subject to investment risk, liquidity, and cost considerations, including transaction costs. We continually monitor our exposure to styles and risk factors, as well as changing risk conditions in global markets.

FUND PROFILE

GICS Sector Weights (%)



Characteristics

| | Fund | Benchmark |
|--|--------|-----------|
| Price/Earnings - Hist 1 Yr Wtd Med | 17.6 x | 23.1 x |
| Price/Book - Hist 1 Yr Wtd Avg | 3.3 x | 3.2 x |
| Return on Equity - Hist 1 Yr Med | 23.3 % | 20.2 % |
| Market Cap - Weighted Median \$Bil | \$40.0 | \$71.9 |
| Number of Equity Holdings | 235 | 2,954 |
| Price/Cash Flow - Hist 1 Yr Wtd Median | 13.7 x | 17.0 x |

5-Year Risk Profile¹

| | Fund | Benchmark |
|----------------|-------|-----------|
| Alpha | -1.68 | 0.00 |
| Beta | 0.97 | 1.00 |
| R ² | 0.95 | 1.00 |
| Sharpe Ratio | 0.61 | 0.76 |
| Std. Deviation | 12.23 | 12.22 |

Top Holdings²

| Company | Sector | % of Equity |
|----------------|------------------------|-------------|
| Intel Corp. | Information Technology | 2.8 |
| Merck & Co Inc | Health Care | 2.7 |
| Comcast Corp. | Communication Services | 2.6 |
| Amgen Inc. | Health Care | 2.2 |
| Pfizer Inc. | Health Care | 2.0 |
| Total | | 12.3 |

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 percent of equity. They are subject to change and should not be considered a recommendation to buy individual securities.

PERFORMANCE NET OF FEES (CLASS III)

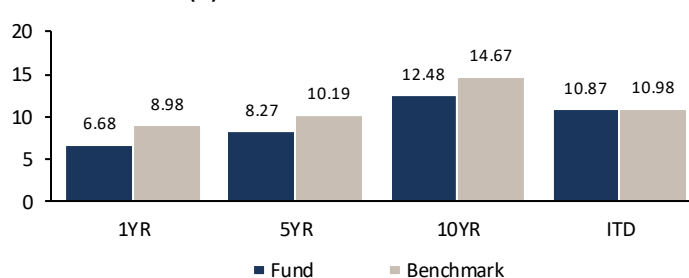
Total Return (%)

| | Fund | Benchmark |
|----------|-------|-----------|
| 2Q 2019 | 3.90 | 4.10 |
| YTD 2019 | 17.47 | 18.71 |

Annual Total Return (%)

| | | |
|------|-------|-------|
| 2018 | -9.78 | -5.24 |
| 2017 | 18.46 | 21.13 |
| 2016 | 13.58 | 12.74 |
| 2015 | 0.65 | 0.48 |
| 2014 | 9.27 | 12.56 |
| 2013 | 29.61 | 33.55 |
| 2012 | 12.81 | 16.42 |
| 2011 | 8.07 | 1.03 |
| 2010 | 8.82 | 16.93 |
| 2009 | 21.23 | 28.34 |

Annualized Return (%)



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 fund's prospectus. To obtain a prospectus please visit www.gmo.com. Read the prospectus carefully before investing.

Performance data quoted represents past performance and is not indicative of future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance data may be lower or higher than the performance data provided herein. To obtain performance information to the most recent month end, visit www.gmo.com.

Fees (Class III): Gross Expense Ratio 0.49% equal to the Fund's Total Annual Operating Expense set forth in the Fund's most recent prospectus dated June 30, 2019.

Net Expense Ratio 0.46% reflects the reduction of expenses from fee reimbursements. The fee reimbursements will continue until at least June 30, 2020. Elimination of this reimbursement will result in higher fees and lower performance.

The Russell 3000 Index is an independently maintained and widely published index comprised of the stocks of the 3,000 largest U.S. companies based on total market capitalization. These companies represent approximately 98% of the total market capitalization of the U.S. equity market. Russell Investment Group is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Russell Investment Group.

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