INTERNATIONAL EQUITY FUND

Quarterly Investment Review

PRODUCT OVERVIEW

The GMO International Equity Fund seeks to generate high total return by investing primarily in non-U.S. developed market equities. The Fund measures its performance against the MSCI World ex USA Index for performance comparison purposes.

The Fund's investment approach is grounded in the Systematic Equity team's belief that, in the short term, equity markets exhibit exploitable inefficiencies as a result of irrational investor actions, the imperfect flow of information, and the participation of non-economic actors, while in the long term, returns are ultimately driven by economic reality. The Fund aims to take advantage of these inefficiencies by utilizing a multi-factor valuation model in conjunction with other methods, such as momentum and corporate alerts, to identify undervalued equity securities.

MAJOR PERFORMANCE DRIVERS

Global equity markets continued to deliver positive absolute returns across regions amid enthusiasm for AI infrastructure and strong outperformance from the Information Technology sector. This market strength persisted despite ongoing disruptions in the trade of energy, commodities, and other critical products from the Middle East. In this environment, the Energy sector underperformed after having rallied in March amid the Iran conflict.

In the second quarter, international growth indexes outperformed international value indexes, and portfolio outperformance was driven by strong stock selection. Our Momentum models were the strongest performers. In contrast, our Value models struggled in an environment where the stocks we identified as expensive outperformed.

The strong stock selection was broad-based with significant value added from Information Technology and Japan, with top contributors owned in part due to strong momentum alphas. Within Information Technology, overweight positioning in semiconductor and technology hardware names, along with underweight positioning toward software, worked well. In Japan, Consumer Discretionary was an area of strength, with top contributor Panasonic Holdings also motivated by attractive valuation. Other areas of stock selection strength included Financials in Spain, the Netherlands, Germany, and France, where motivations for the positions included a mix of valuation- and momentum-oriented signals.

While overall performance for the portfolio and selection within Japan was strong, areas of weakness included Japanese Industrials and Energy, U.K. Communication Services, Consumer Staples, and Health Care.

Portfolio weights, as a percent of equity, for the positions mentioned were: Panasonic Holdings (3.3%)

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ANNUALIZED RETURNS (USD, %) (QUARTER-END)

	Quarter-End	YTD	1-Year	3-Year	5-Year	10-Year	Since Inception
International Equity Fund (net)	12.95	18.86	38.36	27.65	15.68	12.69	8.51
International Equity Fund (gross)	13.14	19.26	39.28	28.50	16.46	13.44	9.25
MSCI World ex USA	10.22	9.19	20.99	16.89	9.32	9.84	6.11
Value Add vs. MSCI World ex USA	+2.73	+9.68	+17.37	+10.76	+6.36	+2.85	+2.39
MSCI World ex USA Value	8.15	9.19	29.33	22.29	9.32	9.84	7.36
Value Add vs. MSCI World ex USA Value	+4.81	+9.68	+9.02	+5.36	+6.36	+2.85	+1.15

Net of all fees and expenses after reimbursement by the Manager, but not transaction costs, if any. If certain expenses were not reimbursed, performance would be lower. Gross of fees, expenses and transaction costs, if any. If these fees, expenses and costs were included, performance would be lower. **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.** The portfolio is actively-managed, is not managed relative to a benchmark and uses an index for performance comparison purposes only and, where applicable, to compute a performance fee. Returns include a substantial, one-time litigation settlement recovery received on December 16, 2024. This event contributed 5.25% to 2024 annual performance. Performance for other periods, including this date, was also positively impacted, sometimes materially. Without this recovery, performance would have been lower in both absolute terms and relative to the benchmark. Additional information is available upon request. Returns reflect a significant, one-time increase to the net assets on November 26, 2025 attributable to European Union discriminatory tax refunds. These refunds contributed 5.18% to 2025 annual performance. Returns for other periods that include the date/period mentioned above were also positively impacted, sometimes substantially. In the absence of the refunds, performance would have been lower, both in absolute terms and relative to the benchmark. Additional information is available upon request. The Index used for performance reporting purposes changed from the MSCI EAFE Index to the MSCI World ex USA Index effective June 30th, 2026.

Inception Date: 31-Mar-87
Performance for the year of inception is less than a full calendar year. Returns shown for periods greater than one year are on an annualized basis.
Risks: Risks associated with investing in the Fund may include: (1) Market Risk - Equities: the market price of equities may decline due to factors affecting the issuer, its industries, 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) Non-U.S. Investment Risk: The market prices of many non-U.S. securities (particularly of companies tied economically to emerging countries) fluctuate more than those of U.S. securities. Many non-U.S. markets (particularly emerging markets) are less stable, smaller, less liquid, and less regulated than U.S. markets, and the cost of trading in those markets often is higher than it is in U.S. markets; and (3) Management and Operational Risk: The risk that GMO's investment techniques will fail to produce desired results, including annualized returns and annualized volatility. For a more complete discussion of these and other risks, please consult the Fund's Prospectus. **Performance Returns:** Annualized Returns may include the impact of purchase premiums and redemption fees. The GMO Trust funds are distributed in the United States by Funds Distributor LLC. GMO and Funds Distributor LLC are not affiliated.
Net Expense Ratio: 0.68%; Gross Expense Ratio: 0.72% Net Expense Ratio reflects the reduction of expenses from fee reimbursements. The fee reimbursements will continue until at least 30 June 2026. Elimination of this reimbursement will result in higher fees and lower performance. Gross Expense Ratio is equal to the Funds Total Annual Operating Expenses set forth in the Funds most recent prospectus dated 30 June 2025.

IMPORTANT INFORMATION

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. Read the prospectus carefully before investing.

Comparator Index(es): The MSCI World ex-USA Index (MSCI Standard Index Series, net of withholding tax) is an independently maintained and widely published index comprised of global developed markets, excluding the United States. 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.The MSCI World ex USA Value Index (MSCI Standard Index Series, net of withholding tax) is an independently maintained and widely published index comprised of global developed markets, excluding the United States. 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.

The GMO Trust funds are distributed in the United States by Funds Distributor LLC. GMO and Funds Distributor LLC are not affiliated.

ABOUT GMO

Founded in 1977, GMO is a global asset manager committed to delivering superior performance and advice to our clients. We are privately owned, which allows us to singularly focus on our sole business – achieving outstanding long-term client investment outcomes. Offering multi-asset, equity, fixed income, and alternative strategies, we invest with a long-term, valuation-based philosophical approach.

AMSTERDAM | BOSTON | LONDON | SAN FRANCISCO* | SINGAPORE | SYDNEY | TOKYO**

*GMO's West Coast Hub is comprised of members of Investment, Global Client Relations, and other teams located in and around the Greater San Francisco area
**Representative Office