

QUARTERLY INVESTMENT REVIEW

Systematic Investment Grade Credit ETF

Performance returns (USD)

ANNUALIZED RETURNS (QUARTER-END)	Quarter-End	YTD	1-Year	3-Year	5-Year	10-Year	Since Inception
NAV	0.62	5.54	-	-	-	-	5.54
Bloomberg U.S. Corporate Index	0.84	5.56	-	-	-	-	5.56
Market Price	0.61	5.58	-	-	-	-	5.58
Bloomberg U.S. Corporate Index	0.84	5.56	-	-	-	-	5.56

NAV Inception Date: 3-Jun-25

Market Price Inception Date: 3-Jun-25

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. Exchange Traded Funds (ETFs) are bought and sold through exchange trading at market price (not NAV), and are not individually redeemed from the fund. Shares may trade at a premium or discount to their NAV in the secondary market. Brokerage commissions will reduce returns.

MAJOR PERFORMANCE DRIVERS

Investment-grade corporate spreads had a volatile fourth quarter, as the market awaited delayed economic data due to the prolonged government shutdown and continued to absorb news about hyperscaler funding needs. The Federal Reserve lowered the target interest rate by 25 bps in October and again in December, to finish the year with 75 bps of cumulative cuts and a target rate of 3.50-3.75%.

The asset class delivered a modest total return of 0.8%, supported by the move lower in the yields. However, excess returns ended the quarter marginally negative at -0.04%. The index's spread over Treasuries moved 4 basis points wider, but across sectors, credit spreads performance diverged, with Transportation and Consumer Cyclicals narrowing the most, while Communications and Technology lagged. Credit curves steepened, and the 10+ year maturity segment generated negative excess returns.

The Systematic Investment Grade portfolio delivered negative alpha in the fourth quarter. Valuation and Company Fundamentals signals were the primary driver of relative returns, while positive contributions from the Quality factor, and to a smaller extent, Momentum, were not enough to offset those losses. Credit selection was weakest among the Technology and Communications sectors, while gains from bonds in Consumer Cyclicals, Banking, and Basic Industry partially offset losses. In terms of sector tilts, relative overweight Technology and underweight Banking had a small negative impact on relative performance.

Entering the first quarter of 2026, the portfolio has a relative overweight to the Consumer Non-Cyclical and Consumer Cyclicals sectors and an underweight to Electric, Banking, and Insurance.

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) Credit Risk: the risk that the issuer or guarantor of a fixed income investment or the obligor of an obligation underlying an asset-backed security will be unable or unwilling to satisfy its obligation to pay principal and interest or otherwise to honor its obligations in a timely manner; (2) Market Risk - Fixed Income Investments: the market price of a fixed income investment can decline due to a number of market-related factors, including rising interest rates and widening credit spreads or decreased liquidity stemming from the market's uncertainty about the value of a fixed income investment (or class of fixed income investments); 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:** Exchange Traded Funds (ETFs) are bought and sold through exchange trading at market price (not NAV), and are not individually redeemed from the fund. Shares may trade at a premium or discount to their NAV in the secondary market. Brokerage commissions will reduce returns. The GMO ETFs are distributed in the United States by Foreside Fund Services LLC. GMO and Foreside Fund Services LLC are not affiliated. **Total Annual Fund Operating Expenses:** 0.25% Expense Ratio is equal to the Fund's Total Annual Operating Expenses set forth in the Fund's most recent prospectus dated October 28, 2025.

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PRODUCT OVERVIEW

The GMO Systematic Investment Grade Credit ETF seeks to generate total return in excess of its benchmark, the Bloomberg U.S. Corporate Index, by employing active security selection.

The GMO Systematic Investment Grade Credit ETF utilizes a systematic, factor-based approach that incorporates proprietary trading signals across value, quality, and momentum. The ETF aims to deliver similar fixed income exposures to that of the benchmark, while owning a more liquid set of corporate bonds.

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.

Benchmark(s): The Bloomberg US Corporate Index measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD denominated securities publicly issued by US and non-US industrial, utility, and financial issuers. The index includes securities with remaining maturity of at least one year.

The GMO ETFs are distributed in the United States by Foreside Fund Services LLC. GMO and Foreside Fund Services 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.

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*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

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