

# GMO CLIMATE CHANGE TRUST

## THE OPPORTUNITY

- We believe climate change is among the most important investment opportunities facing investors today. Exceptional opportunities for long-term investors abound in a world mobilizing to address climate change.
- Profitability associated with efforts to mitigate and adapt to climate change is largely independent of the global economy. Climate change investors benefit from this unique source of return which complements a traditional portfolio.
- The climate change sector, as we've defined it, remains a poorly understood, inefficiently priced sector. There are ample opportunities for value added through active management, a global approach, and a value discipline.

## OUR APPROACH

**Universe Targeted for Impact:** We focus on identifying business models that can monetize the secular growth from global efforts to combat climate change.

**Value Focus:** We believe that a value discipline is particularly important in this space. We combine GMO's proprietary valuation techniques with fundamental analysis to identify attractive opportunities.

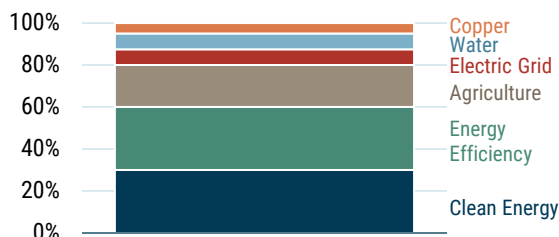
**Strategic Allocation:** Our strategic asset allocation promotes diversification among a variety of climate change sectors.

**Global Scope & GMO Investment Platform:** GMO has the global expertise to take advantage of attractive investment opportunities wherever they may be. We have a broad team of experienced investment professionals, including Jeremy Grantham, who contribute insight, ideas, and perspectives.

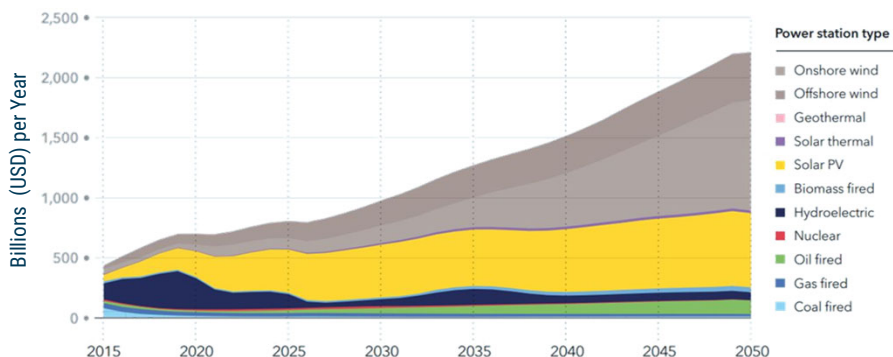
**Investing with Conviction:** As an independently owned private partnership, GMO's firmwide philosophy of investing with conviction over the long-term is consistent with success in the climate change sector.

**ESG:** Environmental, Social, and Governance (ESG) factors are integrated holistically into our investment process.

## STRATEGIC ALLOCATION TARGETS



## PROJECTED GLOBAL INVESTMENTS BY POWER SECTOR



Source: DNV GL. Projections are subject to change and may vary significantly from the data shown.

## PORTFOLIO MANAGEMENT



**Lucas White, CFA**

- Joined GMO in 2006
- 23 yrs industry experience
- B.A. from Duke University



**Tom Hancock**

- Joined GMO in 1995
- 25 yrs industry experience
- Ph.D. from Harvard University



### GMO Climate Change Trust

RECOMMENDED

Zenith has initiated coverage of the GMO Climate Change Trust and placed a Recommended rating on the fund.

## GMO CLIMATE CHANGE TRUST

Team Location	Boston
Inception Date	5 October 2021
Benchmark	MSCI ACWI Index
Pricing Frequency	Daily
Liquidity	Daily
Distribution Frequency	Quarterly <sup>1</sup>
<b>Fees &amp; Other Costs</b>	
Management Fee	0.768% p.a. <sup>2</sup>
Buy/Sell Spread	0.00%/0.00%
<b>Identifiers</b>	
APIR Code	GMO1979AU
Morningstar ID	F00001CQQQ
ISIN	AU60GMO19794
How to Invest	Visit our website for information on how to invest, ratings and platform availability

<sup>1</sup> Distributions are assessed on a quarterly basis.

<sup>2</sup> Inclusive of GST and net of any applicable Input Tax Credits and/or Reduced Input Tax Credits.

# GMO CLIMATE CHANGE TRUST

## EXPOSURE BY SEGMENT (%)

Segment	Exposure
<b>Agriculture</b>	<b>12.3%</b>
Agricultural Productivity	2.9%
Farming	3.3%
Fish Farming	1.6%
Precision Agriculture	3.8%
Timber	0.7%
<b>Clean Energy</b>	<b>53.7%</b>
Batteries & Storage	12.5%
Biofuels & Other Clean Energy	20.7%
Power Generation	4.6%
Solar	13.8%
Wind	2.1%
<b>Copper</b>	<b>7.4%</b>
<b>Electric Grid</b>	<b>5.8%</b>
<b>Energy Efficiency</b>	<b>13.0%</b>
Buildings	1.4%
Diversified Efficiency	5.4%
Recycling	0.6%
Technology	2.0%
Transportation	3.6%
<b>Water</b>	<b>6.0%</b>
<b>Cash</b>	<b>1.9%</b>

## COUNTRY WEIGHTS (%)

	Portfolio	Benchmark
United States	48.6	61.4
Canada	12.8	3.2
Japan	8.3	5.4
France	5.4	2.8
China	4.3	3.3
Mexico	2.7	0.3
Spain	2.4	0.6
Brazil	2.3	0.6
United Kingdom	2.1	3.7
Norway	1.6	0.2

## CHARACTERISTICS

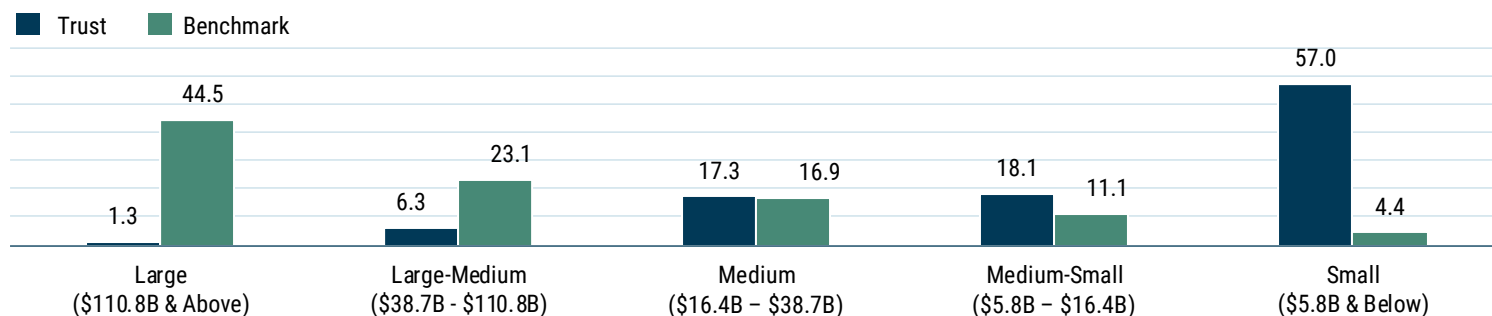
	Portfolio	MSCI ACWI
Price/Earnings - Forecast 1 Yr Wtd Mdn	13.8x	20.3x
Price/Cash Flow - Hist 1 Yr Wtd Mdn	16.7x	20.0x
Price/Book - Hist 1 Yr Wtd Avg	2.2x	2.9x
Market Cap - Wtd Mdn Bil	5.3 USD	83.8 USD
Number of Equity Holdings	110	2,939

## TOP 5 HOLDINGS

Company	Country	Segment	% of Equity
Ameresco Inc	United States	Biofuels & Other Clean Energy	6.2
Canadian Solar Inc	Canada	Solar	5.3
Darling Ingredients Inc	United States	Biofuels & Other Clean Energy	5.1
Sunrun Inc	United States	Solar	4.7
Clean Energy Fuels Corp	United States	Biofuels & Other Clean Energy	3.8

**Total: 25.1%**

## MARKET CAP RANGES (%)



Portfolio holdings are percent of equity. Where applicable, the top holdings are derived by looking through to the underlying funds in which the asset allocation funds invest and, where appropriate, individual security positions are aggregated. They are subject to change and should not be considered a recommendation to buy individual securities.

# GMO CLIMATE CHANGE TRUST

Performance Net of Fees (AUD)

RETURNS (%) AS OF 31/3/2022

	MTD	QTD	YTD	1-Year	3-Year	5-Year	ITD	Since Inception
Climate Change Trust	2.44	1.62	1.62	-	-	-	3.26	10/5/21
MSCI ACWI	-1.28	-8.37	-8.37	-	-	-	-2.26	

## 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.

We believe in having meaningful dialogue about ESG issues amongst asset owners, investment managers, and companies. GMO is a proud member, supporter, or signatory of the UN Principles for Responsible Investment (PRI), the CDP (formerly Carbon Disclosure Project), the CDP Science-based Targets Collaborative Engagement Campaign, the Transition Pathway Initiative, Investors Against Slavery and Trafficking Asia-Pacific, the ACT Accelerator, the SASB Alliance, the Financial Stability Board's Taskforce on Climate-related Financial Disclosures (TCFD), the Japan Stewardship Code, the Singapore Stewardship Principles, and the Climate Action 100+. We also were a signatory of the UK Stewardship Code 2012 and are reapplying to the 2020 Code.



## CONTACT US

For more information on this product please email us at [sydcst@gmo.com](mailto:sydcst@gmo.com) or reach out to your relationship manager.

**Visit our website at [gmo.com](http://gmo.com).**

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