GMO FUNDS PLC
an umbrella fund with segregated liability between sub-funds
(the "Company")

Fourth Supplemental Prospectus dated 9 March 2021

This fourth supplemental prospectus ("Supplemental Prospectus") forms part of the prospectus of the Company dated 19 February 2019, as amended by the first supplemental prospectus dated 20 March 2020, the second supplemental prospectus dated 15 April 2020 and the third supplemental prospectus dated 12 November 2020 (together, the "Prospectus"). Unless otherwise provided for in this Supplemental Prospectus, all capitalised terms shall have the same meaning herein as in the Prospectus. This Supplemental Prospectus should be read in the context of, and together with, the Prospectus.

The directors of the Company (the "Directors") accept responsibility for the information contained in the Prospectus and this Supplemental Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

1. **Introduction**

The purpose of this Supplemental Prospectus is to amend the Prospectus to reflect the inclusion of disclosures that address the requirements of the EU Sustainable Finance Disclosures Regulation (2019/2088) on sustainability-related disclosures in the financial services sector ("SFDR").

2. **SFDR Disclosures**

2.1 The section entitled "Definitions" in the Prospectus is amended by the insertion of the following in alphabetical order:

"ESG" means environmental, social and governance;

2.2 The following be included as a new section in the prospectus on page 22 after the section entitled "Long and Short Position Exposure":

SUSTAINABLE FINANCE DISCLOSURES REGULATION

GMO Global Equity Allocation Investment Fund

The Company has adopted the Investment Manager's policy in relation to the integration of sustainability risks into investment decisions for the Funds. A sustainability risk is an ESG event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment.

The Investment Manager has integrated sustainability risks, as a sub-set of risks generally that could cause an actual or potential material negative impact on the value of an investment, as part of its investment decision-making process for the Fund. If appropriate for an investment, the Investment Manager may conduct sustainability risk-related due diligence and/or take steps to mitigate sustainability risks and preserve the value of the investment. The Investment Manager is committed to continuously improving its understanding of how the integration of ESG factors can improve the Fund's investment results and seeks to focus on ESG considerations which can improve the Fund's risk-adjusted return potential.

The Fund may be exposed to certain potential sustainability risks as, amongst others, reflected in the section of the Prospectus entitled "Risk Factors – Sustainability Risk". Notwithstanding the foregoing, sustainability risks will not be relevant to certain non-core activities undertaken by the Fund (for example, hedging). As of the date hereof, the portfolio of the Fund is comprised of different investments that may change over time as a result of specific investment decisions made and accordingly the identification and assessments of risks, including sustainability risks, will take place on an investment-by-investment basis as noted above. The Investment Manager's assessment is that integration of known sustainability risks in investment decisions, combined with a diversified portfolio appropriate for the Fund in light of its investment objective and strategy, should help mitigate the potential material negative impact of sustainability risks on the returns of the Fund, although there can be no assurance that all such risks will be mitigated in whole or in part, nor identified prior to the date of investment.

The Company does not consider the adverse impacts of its investment decisions on sustainability factors, within the meaning of Article 4(1)(a) of the SFDR, for the time being. The Company does not currently do so because, among other reasons, the final regulatory technical standards which set forth the scope of "principal adverse impacts" and the corresponding mandatory reporting template have not yet been adopted by European legislators, which makes voluntary compliance with Article 4(1)(a) challenging. The Company's position on this matter will be reviewed at least annually.

Further information on the Company's and the Investment Manager's approach to sustainability risks is available at www.gmo.com.

GMO Quality Investment Fund

The Company has adopted the Investment Manager's policy in relation to the integration of sustainability risks into investment decisions for the Funds. A sustainability risk is an ESG event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment.

The Investment Manager has integrated sustainability risks and opportunities as a sub-set of investment considerations that could cause an actual or potential material impact on the value of an investment as part of its investment decision-making process for the Fund. If appropriate for an investment, the Investment Manager may conduct sustainability risk-related due diligence and/or take steps to mitigate sustainability risks and preserve the value of the investment.

The Fund may be exposed to certain potential sustainability risks as, amongst others, reflected in the section of the Prospectus entitled "Risk Factors – Sustainability Risk". Notwithstanding the foregoing, sustainability risks will not be relevant to certain non-core activities undertaken by the Fund (for example, hedging). As of the date hereof, the portfolio of the Fund is comprised of different investments that may change over time as a result of specific investment decisions made and accordingly the identification and assessments of risks, including sustainability risks, will take place on an investment-by-investment basis as noted above. The Investment Manager's assessment is that integration of known sustainability risks in investment decisions, combined with a diversified portfolio appropriate for the Fund in light of its investment objective and strategy, should help mitigate the potential material negative impact of sustainability risks on the returns of the Fund, although there can be no assurance that all such risks will be mitigated in whole or in part, nor identified prior to the date of investment.

The Company does not consider the adverse impacts of its investment decisions on sustainability factors, within the meaning of Article 4(1)(a) of the SFDR, for the time being. The Company does not currently do so because, among other reasons, the final regulatory technical standards which set forth the scope of "principal adverse impacts" and the corresponding mandatory reporting template have not yet been adopted by European legislators, which makes voluntary compliance with Article 4(1)(a) challenging. The Company's position on this matter will be reviewed at least annually.

Further information on the Company's and the Investment Manager's approach to sustainability risks is available at www.gmo.com.

GMO Emerging Markets Equity Fund

The Company has adopted the Investment Manager's policy in relation to the integration of sustainability risks into investment decisions for the Funds. A sustainability risk is an ESG event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment. The Investment Manager generally measures any relevant ESG matters using third-party standards, guidelines and metrics, data from issuers comprised in portfolios managed or advised by the Investment Manager (including the Fund, other funds or accounts), company reports and publicly available information, as the Investment Manager deems relevant from time to time.

The Investment Manager has integrated sustainability risks, as a sub-set of risks generally that could cause an actual or potential material negative impact on the value of an investment, as part of its investment decision-making process for the Fund. If appropriate for an investment, the Investment Manager may conduct sustainability risk-related due diligence and/or take steps to mitigate sustainability risks and preserve the value of the investment. The Investment Manager is committed to continuously improving its understanding of how the integration of ESG factors can improve the Fund's investment results and seeks to focus on ESG considerations which can improve the Fund's risk-adjusted return potential.

The Fund incorporates ESG at both the country and issuer levels. The Investment Manager's assessment of the macro quality of a country includes signals used to identify the vulnerability of a country from an ESG perspective. The proprietary assessment framework sources a variety of ESG preparedness and performance signals across six categories: natural resources, climate change, standard of living, social empowerment, political governance and economic governance. At the issuer level, among the signals used in the Fund's stock quality model are ones that evaluate a company from an ESG perspective. To determine the materiality of an ESG issue for a company, the Investment Manager looks at the type of business lines in which a company operates, its geographical footprint, the severity of the financial impact that the ESG issue itself may cause if not sufficiently managed, as well as the likelihood of and the time horizon over which, the financial impact is expected to occur. These issues cover areas such as product carbon emissions, packaging material and waste, privacy and data security, supply chain labor standards, ownership and control, and business ethics. The ESG scores of companies can materially impact the size of the investment in them. The environmental, social and governance investment guidelines and exclusions apply at the time of acquisition of the equity securities and in the event of any subsequent inadvertent holding of an equity security in breach of these investment guidelines, the Investment Manager shall dispose of any such securities as soon as reasonably practicable having regard to the best interests of the Fund and its Shareholders.

In addition, the Investment Manager's process favours companies that have lower carbon intensity in order to achieve its goal of delivering a Fund carbon intensity that's at or below the level of its Benchmark. To measure itself against the Benchmark, the Investment Adviser uses a metric applied to each company based on the ratio of a company's carbon dioxide emissions (in tonnes) per million dollars of sales. The carbon intensity metric uses a company's most recently reported or estimated greenhouse gas emissions normalised by sales in U.S. Dollars, which allows for comparison between companies of different sizes. The carbon intensity number for each of the Fund's portfolio and the Benchmark is a weighted average of the numbers for the underlying companies. Although there is not data coverage for all companies, there is typically coverage for more than 90 per cent. of the companies owned by the Fund and the weighted average of the covered companies is used to extrapolate the Fund's overall carbon intensity number. The Benchmark is not constructed specifically to incorporate ESG considerations. Further details on the methodology used for the calculation of the Benchmark can be found at: https://www.msci.com.

Subject to the ESG framework described above, the Investment Manager does not seek to exclude holdings deemed inconsistent with its ESG criteria. However, when considering an investment, the Investment Manager will consider whether the issuer meets good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. Analysis is undertaken on the level of exposure of a particular issuer with regard to relevant risks associated with good governance and, critically, management's actions to manage such risks. Good governance standards include board balance, independence, transparency, disclosure and the protection of shareholder rights, and a review of whether the issuer has been the subject of serious or ongoing concerns about unsustainable business practices, such as human rights and labour standards abuses, corruption and abuse of minority shareholders.

The Fund may be exposed to certain potential sustainability risks as, amongst others, reflected in the section of the Prospectus entitled "Risk Factors – Sustainability Risk". Notwithstanding the foregoing, sustainability risks will not be relevant to certain non-core activities undertaken by the Fund (for example, hedging). As of the date hereof, the portfolio of the Fund is comprised of different investments that may change over time as a result of specific investment decisions made and accordingly the identification and assessments of risks, including sustainability risks, will take place on an investment-by-investment basis as noted above. The Investment Manager's assessment is that integration of known sustainability risks in investment decisions, combined with a diversified portfolio appropriate for the Fund in light of its investment objective and strategy, should help mitigate the potential material negative impact of sustainability risks on the returns of the Fund, although there can be no assurance that all such risks will be mitigated in whole or in part, nor identified prior to the date of investment.

The Company does not consider the adverse impacts of its investment decisions on sustainability factors, within the meaning of Article 4(1)(a) of the SFDR, for the time being. The Company does not currently do so because, among other reasons, the final regulatory technical standards which set forth the scope of "principal adverse impacts" and the corresponding mandatory reporting template have not yet been adopted by European legislators, which makes voluntary compliance with Article 4(1)(a) challenging. The Company's position on this matter will be reviewed at least annually.

Further information on the Company's and the Investment Manager's approach to sustainability risks is available at www.gmo.com.

GMO Emerging Domestic Opportunities Equity Fund

The Company has adopted the Investment Manager's policy in relation to the integration of sustainability risks into investment decisions for the Funds. A sustainability risk is an ESG event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment. The Investment Manager generally measures any relevant ESG matters using third-party standards, guidelines and metrics, data from issuers comprised in portfolios managed or advised by the Investment Manager (including the Fund, other funds or accounts), company reports and publicly available information, as the Investment Manager deems relevant from time to time.

The Investment Manager has integrated sustainability risks, as a sub-set of risks generally that could cause an actual or potential material negative impact on the value of an investment, as part of its investment decision-making process for the Fund. If appropriate for an investment, the Investment Manager may conduct sustainability risk-related due diligence and/or take steps to mitigate sustainability risks and preserve the value of the investment. The Investment Manager is committed to continuously improving its understanding of how the integration of ESG factors can improve the Fund's investment results and seeks to focus on ESG considerations which can improve the Fund's risk-adjusted return potential.

The Fund incorporates ESG at both the country and issuer levels. The assessment of the macro quality of a country includes signals used to identify the vulnerability of a country from an ESG perspective. The proprietary assessment framework sources a variety of ESG preparedness and performance signals across six categories: natural resources, climate change, standard of living, social empowerment, political governance and economic governance. As a threshold step, the Fund excludes companies which are inconsistent with the United Nations Global Compact Principles for Business. Assuming a company is consistent with these principles, the Investment Manager assesses the materiality of any ESG issues related to the company by looking at the type of business lines in which it operates, its geographical footprint, the severity of financial impact that the ESG issue itself may cause if not sufficiently managed, as well as the likelihood of and the time horizon over which, the financial impact is expected to occur. Once a set of ESG risks are identified for a company, a combination of qualitative and quantitative data points is assessed to determine whether or not a company manages its risk exposure sufficiently well and this assessment will be factored into the Investment Manager's evaluation of the company. Depending on the nature and degree of any unmanaged material risks identified, the Investment Manager may change is estimates related to margins, compliance-related capital expenditure, and cost of capital. These changes can materially impact the size of a potential investment. The environmental, social and governance investment guidelines and exclusions apply at the time of acquisition of the equity securities and in the event of any subsequent inadvertent holding of an equity security in breach of these investment guidelines, the Investment Manager shall dispose of any such securities as soon as reasonably practicable having regard to the best interests of the Fund and its Shareholders.

In addition, when considering an investment, the Investment Manager will consider whether the issuer meets good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. Analysis is undertaken on the level of exposure of a particular issuer with regard to relevant risks associated with good governance and, critically, management's actions to manage such risks. Good governance standards include board balance, independence, transparency, disclosure and the protection of shareholder rights, and a review of whether the issuer has been the subject of serious or ongoing concerns about unsustainable business practices, such as human rights and labour standards abuses, corruption and abuse of minority shareholders.

The Fund may be exposed to certain potential sustainability risks as, amongst others, reflected in the section of the Prospectus entitled "Risk Factors – Sustainability Risk". Notwithstanding the foregoing, sustainability risks will not be relevant to certain non-core activities undertaken by the Fund (for example, hedging). As of the date hereof, the portfolio of the Fund is comprised of different investments that may change over time as a result of specific investment decisions made and accordingly the identification and assessments of risks, including sustainability risks, will take place on an investment-by-investment basis as noted above. The Investment Manager's assessment is that integration of known sustainability risks in investment decisions, combined with a diversified portfolio appropriate for the Fund in light of its investment objective and strategy, should help mitigate the potential material negative impact of sustainability risks on the returns of the Fund, although there can be no assurance that all such risks will be mitigated in whole or in part, nor identified prior to the date of investment.

The Company does not consider the adverse impacts of its investment decisions on sustainability factors, within the meaning of Article 4(1)(a) of the SFDR, for the time being. The Company does not currently do so because, among other reasons, the final regulatory technical standards which set forth the scope of "principal adverse impacts" and the corresponding mandatory reporting template have not yet been adopted by European legislators, which makes voluntary compliance with Article 4(1)(a) challenging. The Company's position on this matter will be reviewed at least annually.

Further information on the Company's and the Investment Manager's approach to sustainability risks is available at www.gmo.com.

GMO Global Real Return (UCITS) Fund

The Company has adopted the Investment Manager's policy in relation to the integration of sustainability risks into investment decisions for the Funds. A sustainability risk is an ESG event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment.

The Investment Manager has integrated sustainability risks, as a sub-set of risks generally that could cause an actual or potential material negative impact on the value of an investment, as part of its investment decision-making process for the Fund. If appropriate for an investment, the Investment Manager may conduct sustainability risk-related due diligence and/or take steps to mitigate sustainability risks and preserve the value of the investment. The Investment Manager is committed to continuously improving its understanding of how the integration of ESG factors can improve the Fund's investment results and seeks to focus on ESG considerations which can improve the Fund's risk-adjusted return potential.

The Fund may be exposed to certain potential sustainability risks as, amongst others, reflected in the section of the Prospectus entitled "Risk Factors – Sustainability Risk". Notwithstanding the foregoing, sustainability risks will not be relevant to certain non-core activities undertaken by the Fund (for example, hedging). As of the date hereof, the portfolio of the Fund is comprised of different investments that may change over time as a result of specific investment decisions made and accordingly the identification and assessments of risks, including sustainability risks, will take place on an investment-by-investment basis as noted above. The Investment Manager's assessment is that integration of known sustainability risks in investment decisions, combined with a diversified portfolio appropriate for the Fund in light of its investment objective and strategy, should help mitigate the potential material negative impact of sustainability risks on the returns of the Fund, although there can be no assurance that all such risks will be mitigated in whole or in part, nor identified prior to the date of investment.

The Company does not consider the adverse impacts of its investment decisions on sustainability factors, within the meaning of Article 4(1)(a) of the SFDR, for the time being. The Company does not currently do so because, among other reasons, the final regulatory technical standards which set forth the scope of "principal adverse impacts" and the corresponding mandatory reporting template have not yet been adopted by European legislators, which makes voluntary compliance with Article 4(1)(a) challenging. The Company's position on this matter will be reviewed at least annually.

Further information on the Company's and the Investment Manager's approach to sustainability risks is available at www.gmo.com.

2.3 The following be included as a new section in the prospectus on page 96 after the section entitled "Risk Factors - Risks Associated with Investment in Other Collective Investment Schemes":

Sustainability Risks

The SFDR defines "sustainability risks" as environmental, social or governance events or conditions that, if they occur, could cause an actual or a potential material negative impact on the value of an investment. The Company, the Investment Manager, the Fund's issuers or investee companies and other parties, such as service providers of the Fund or of counterparties of the Fund's issuers or investee companies, may be negatively affected by sustainability risks. If appropriate for an investment, the Investment Manager may conduct sustainability risk-related due diligence and/or take steps to mitigate sustainability risks and preserve the value of the investment; however, there can be no assurance that all such risks will be mitigated in whole or in part, nor identified prior to the date of investment. The Company, the Investment Manager, the Fund's issuers or investee companies and other parties may maintain insurance to protect against certain sustainability risks, where available on reasonable commercial terms, although such insurance is subject to customary deductibles and coverage limits and may not be sufficient to recoup all losses. Any of the foregoing may therefore adversely affect the performance of the Fund and its investments.