Prospectus
September 20, 2022

GMO Trust

- GMO Small Cap Quality Fund
  Class III: —
  Class IV: —
  Class V: —
  Class VI: GSBGX
  Class R6: —
  Class I: —

- **Information about other funds offered by GMO Trust is contained in separate prospectuses.**
- **Shares of the Fund described in this Prospectus may not be available for purchase in all states. This Prospectus does not offer shares in any state where they may not lawfully be offered.**

Grantham, Mayo, Van Otterloo & Co. LLC
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The Securities and Exchange Commission and the Commodity Futures Trading Commission have not approved or disapproved these securities or passed upon the adequacy of this prospectus. Any representation to the contrary is a criminal offense.

Grantham, Mayo, Van Otterloo & Co. LLC ("GMO") is not offering or placing interests in GMO Small Cap Quality Fund (the "Fund"), to or with or otherwise promoting the Fund to any natural or legal persons domiciled or with a registered office in any European Economic Area ("EEA") Member State where the Alternative Investment Fund Managers Directive (Directive 2011/61/EU) ("AIFMD") is in force and effect or in the United Kingdom ("UK"), where the Alternative Investment Fund Managers Regulations 2013 as amended, including by the European Union (Withdrawal) Act 2018 and the Alternative Investment Fund Managers (Amendment Etc.) (EU Exit) Regulations 2019 (the "AIFM Law"), are in force and effect. GMO, in its discretion, may accept any such investor into the Fund, but only if it is satisfied that, by accepting such investor, it would not be in breach of any law, rule, regulation or other legislative or administrative measure in or otherwise applicable to the relevant EEA Member State or the UK and such investor is otherwise eligible under the laws of such EEA Member State or the UK to invest in the Fund. None of the Fund, GMO, their respective affiliates or any natural or legal person acting on their behalf have been registered with or approved by any EEA Member State, European Union, UK or other regulatory, governmental or similar body with respect to the Fund, and no such body has approved, endorsed, reviewed, acquiesced or taken any similar action with respect to any offering, marketing or other promotional materials relating to the Fund. If investors invest in the Fund on their own initiative, they will not receive the protections or benefits available under the AIFMD or the AIFM Law.

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GMO SMALL CAP QUALITY FUND

Investment objective

Total return.

Fees and expenses

The table below describes the fees and expenses that you may bear for each class of shares if you buy, hold, and sell shares of the Fund. You may pay other fees, such as brokerage commissions and other fees to financial intermediaries, which are not reflected in the table and example below.

Annual Fund operating expenses[1]

(expenses that you bear each year as a percentage of the value of your investment)

	Class III	Class IV	Class V	Class VI	Class R6	Class I
Management fee	0.75%[2]	0.70%[2]	0.685%[2]	0.655%[2]	0.75%[2]	0.75%[2]
Other expenses	0.16%	0.16%	0.16%	0.16%	0.16%	0.26%[3]
Total annual fund operating expenses	0.91%	0.86%	0.85%	0.82%	0.91%	1.01%
Expense reimbursement/waiver	(0.16)%[2]	(0.16)%[2]	(0.16)%[2]	(0.16)%[2]	(0.16)%[2]	(0.26)%[2,3]
Total annual fund operating expenses after expense reimbursement/waiver	0.75%	0.70%	0.69%	0.66%	0.75%	0.75%

[1] *The amounts represent an annualized estimate of the Fund's operating expenses for its initial fiscal year.*

[2] *Includes both management fee of 0.60% and class-specific shareholder service fee, if any, for each class of shares. For additional information about the shareholder service fee applicable to each class of shares of the Fund, please see the table included in the section of the Prospectus entitled "Multiple Classes and Eligibility." Grantham, Mayo, Van Otterloo & Co. LLC ("GMO") has contractually agreed to waive its fees with respect to and/or reimburse the Fund to the extent that the Fund's total annual fund operating expenses (after applying all other contractual and voluntary expense limitation arrangements in effect at the time) exceed the following amounts for each class of shares, in each case representing the average daily net assets for the indicated class of shares: 0.75% for Class III shares; 0.70% for Class IV shares; 0.685% for Class V shares; 0.655% for Class VI shares; 0.75% for Class R6 shares; and 0.75% for Class I shares (each, an "Expense Cap"). Fees and expenses of the "non-interested" Trustees and legal counsel to the "non-interested" Trustees, investment-related costs (such as brokerage commissions, interest, and acquired fund fees and expenses), payments out of assets attributable to Class I shares for sub-transfer agency, recordkeeping and other administrative services provided by financial intermediaries, taxes, litigation and indemnification expenses, judgments, and other extraordinary or non-recurring expenses not incurred in the ordinary course of the Fund's business, are excluded from the Expense Cap. GMO also has contractually agreed to waive or reduce the Fund's management fees and shareholder service fees to the extent necessary to offset the management fees and shareholder service fees paid to GMO that are directly or indirectly borne by the Fund or a class of shares of the Fund as a result of the Fund's direct or indirect investments in other series of GMO Trust ("GMO Funds"). Management fees and shareholder service fees will not be waived below zero. These reimbursements and waivers will continue through at least October 1, 2023 and may not be terminated prior to this date without the action or consent of the Trust's Board of Trustees.*

[3] *Includes estimate of payments for sub-transfer agency, recordkeeping and other administrative services for Class I's initial fiscal year. GMO has contractually agreed to waive its fees with respect to and/or reimburse Class I shares for the amounts paid by the Fund out of the net assets attributable to Class I shares for sub-transfer agency, recordkeeping and other administrative services provided by financial intermediaries with respect to Class I shareholders. This reimbursement will continue through at least October 1, 2023 and may not be terminated prior to this date without the action or consent of the Trust's Board of Trustees.*

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example assumes that you invest $10,000 in the Fund for the time periods indicated, regardless of whether or not you redeem your shares at the end of such periods. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same as those shown in the table. The one year amounts shown reflect the expense reimbursement and waiver noted in the expense table. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

	1 Year	3 Years
Class III	$77	$274
Class IV	$72	$258
Class V	$70	$255
Class VI	$67	$246
Class R6	$77	$274
Class I	$77	$296

Portfolio turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities. A higher portfolio turnover rate may result in higher transaction costs and, for holders of Fund shares subject to U.S. taxes, higher income taxes. These transaction costs, which are not reflected in Annual Fund operating expenses or in the Example, affect the Fund's performance. Because the Fund had not commenced operations as of the fiscal year ended February 28, 2022, the Fund has no reportable portfolio turnover rate.

Principal investment strategies

GMO seeks to achieve the Fund's investment objective by investing the Fund's assets primarily in equities of U.S. small-cap companies that GMO believes to be of high quality. GMO believes a high quality company generally to be a company that has an established business that will deliver a high level of return on past investments and that will utilize cash flows in the future by making investments with the potential for a high return on capital or by returning cash to shareholders through dividends, share buybacks, or other mechanisms.

In selecting securities for the Fund, GMO uses a combination of investment methods and typically considers both systematic factors, based on profitability, profit stability, leverage, and other publicly available financial information, and judgmental factors, based on GMO's assessment of future profitability, capital allocation, growth opportunities, and sustainability against competitive forces. GMO also may rely on valuation methodologies, such as discounted cash flow analysis and multiples of price to earnings, revenues, book values or other fundamental metrics. The Fund may also utilize an event-driven strategy, such as merger arbitrage. The Fund is permitted to invest directly and indirectly (e.g., through underlying funds or derivatives) in equities of companies tied economically to any country in the world, including emerging countries.

At times, the Fund may have substantial exposure to a single asset class, industry, sector, country, region, issuer, or currency or companies with similar market capitalizations. The Fund may invest in securities of companies of any market capitalization. The factors GMO considers and investment methods GMO uses can change over time. GMO does not manage the Fund to, or control the Fund's risk relative to, any securities index or securities benchmark.

As an alternative to investing directly in equities, the Fund may invest in exchange-traded and over-the-counter (OTC) derivatives and exchange-traded funds (ETFs). The Fund also may invest in derivatives and ETFs in an attempt to obtain or adjust elements of its long or short investment exposure and as a substitute for securities lending. Derivatives used may include futures, options, forward currency contracts, and swap contracts. In addition, the Fund may lend its portfolio securities.

Under normal circumstances, the Fund invests directly and indirectly at least 80% of its assets in equities of small-cap companies (see "Name Policies"). The term "small-cap companies" means companies whose market capitalization at the time of investment is less than that of the companies in the bottom decile of market capitalization of the MSCI US IMI Index or that are included in the S&P 600 Index. As of August 31, 2022, the market capitalization of companies comprising the bottom decile of the MSCI US IMI Index by market capitalization ranged from approximately $29.2 million to $7.9 billion. As of August 31, 2022, the market capitalization for the companies comprising the S&P 600 Index ranged from approximately $138.71 million to $5.7 billion.

The Fund also may invest in U.S. Treasury Fund, in money market funds unaffiliated with GMO, and directly in the types of investments typically held by money market funds.

Principal risks of investing in the Fund

The value of the Fund's shares changes with the value of the Fund's investments. Many factors can affect this value, and you may lose money by investing in the Fund. The Fund is a *non-diversified investment company* under the Investment Company Act of 1940, as amended, and therefore 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 were a diversified investment company. The principal risks of investing in the Fund are summarized below. For a more complete discussion of these risks, see "Additional Information about the Fund's Investment Strategies, Risks, and Expenses" and "Description of Principal Risks."

- *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. If the Fund purchases an equity for less than its fundamental fair (or intrinsic) value as assessed by GMO, and GMO's assessment proves to be incorrect, the Fund runs the risk that the market price of the equity will not appreciate or will decline. The Fund also may purchase equities that typically trade at higher multiples of current earnings than other securities, and the market prices of these equities often are more sensitive to changes in future earnings expectations than the market prices of equities trading at lower multiples. Declines in stock market prices generally are likely to reduce the net asset value of the Fund's shares.
- *Management and Operational Risk* − The Fund runs the risk that GMO's investment techniques will fail to produce desired results. The Fund also runs the risk that GMO's assessment of an investment (including a security's fundamental fair (or intrinsic) value) is wrong or that deficiencies in GMO's or another service provider's internal systems or controls will cause losses for the Fund or impair Fund operations.
- *Smaller Company Risk* − Smaller companies may have limited product lines, markets, or financial resources, lack the competitive strength of larger companies, have inexperienced managers or depend on a few key employees. The securities of companies with smaller market capitalizations often are less widely held and trade less frequently and in lesser quantities, and their market prices often fluctuate more, than the securities of companies with larger market capitalizations.
- *Focused Investment Risk* − Investments focused in asset classes, industries, sectors, issuers, currencies, countries and regions (or in sectors within a country or region) that are subject to the same or similar risk factors and investments whose market prices are closely correlated are subject to higher overall risk than investments that are more diversified or whose market prices are not as closely correlated.
- *Illiquidity Risk* − Low trading volume, lack of a market maker, large position size, or legal restrictions may limit or prevent the Fund from selling particular securities or closing derivative positions at desirable prices.

- *Derivatives and Short Sales Risk* − The use of derivatives involves the risk that their value may not change as expected relative to changes in the value of the underlying assets, pools of assets, rates, currencies or indices. Derivatives also present other risks, including market risk, illiquidity risk, currency risk, credit risk, and counterparty risk. The market price of an option is affected by many factors, including changes in the market prices or dividend rates of underlying securities (or in the case of indices, the securities in such indices); the time remaining before expiration; changes in interest rates or exchange rates; and changes in the actual or perceived volatility of the relevant stock market and underlying securities. The Fund may create short investment exposure by selling securities short or by taking a derivative position in which the value of the derivative moves in the opposite direction from the price of an underlying asset, pool of assets, rate, currency or index. The risks of loss associated with derivatives that provide short investment exposure and short sales of securities are theoretically unlimited.
- *Counterparty Risk* − The Fund runs the risk that the counterparty to a derivatives contract, a clearing member used by the Fund to hold a cleared derivatives contract, or a borrower of the Fund's securities is unable or unwilling to make timely settlement payments, return the Fund's margin or otherwise honor its obligations.
- *Leveraging Risk* − The use of derivatives, short sales and securities lending creates leverage. Leverage increases the Fund's losses when the value of its investments (including derivatives) declines. In addition, the Fund's portfolio will be leveraged if it exercises its right to delay payment on a redemption, and losses will result if the value of the Fund's assets declines between the time a redemption request is deemed to be received by the Fund and the time the Fund liquidates assets to meet that request.
- *Market Disruption and Geopolitical Risk* − Geopolitical and other events (e.g., wars, pandemics, sanctions, terrorism) may disrupt securities markets and adversely affect particular economies and markets as well as global economies and markets. Those events, as well as other changes in non-U.S. and U.S. economic and political conditions, could exacerbate other risks or otherwise reduce the value of the Fund's investments.
- *Large Shareholder Risk* − To the extent that a large number of shares of the Fund is held by a single shareholder (e.g., an institutional investor or another GMO Fund) or a group of shareholders with a common investment strategy (e.g., GMO asset allocation accounts), the Fund is subject to the risk that a redemption by those shareholders of all or a large portion of their Fund shares will require the Fund to sell securities at disadvantageous prices, otherwise disrupt the Fund's operations, or force the Fund's liquidation.
- *Event-Driven Risk* − If the Fund purchases securities in anticipation of a proposed merger, acquisition, exchange offer, tender offer, or other similar transaction and that transaction later appears likely to be delayed or unlikely to be consummated or, in fact, is not consummated or is delayed, the market price of the securities purchased by the Fund may decline sharply, resulting in losses to the Fund. The risk/reward payout of event-driven strategies (such as merger arbitrage) typically is asymmetric, with the losses in failed transactions often far exceeding the gains in successful transactions. Event-driven strategies are subject to the risk of overall market movements, and the Fund may experience losses even if a transaction is consummated.
- *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. securities markets (particularly emerging markets) are less stable, smaller, less liquid, and less regulated than U.S. securities markets, and the cost of trading in those markets often is higher than in U.S. securities markets. In addition, issuers of non-U.S. securities (particularly those tied economically to emerging countries) often are not subject to as much regulation as U.S. issuers, and the reporting, recordkeeping, accounting, custody, and auditing standards to which those issuers are subject often are not as rigorous as U.S. standards. In addition, the Fund may be subject to non-U.S. taxes, potentially on a retroactive basis, on (i) capital gains it realizes or dividends, interest, or other amounts it realizes or accrues in respect of non-U.S. investments; (ii) transactions in those investments; and (iii) repatriation of proceeds generated from the sale or other disposition of those investments. Also, the Fund needs a license to invest directly in securities traded in many non-U.S. securities markets, and the Fund is subject to the risk that its license is terminated or suspended. In some non-U.S. securities markets, prevailing custody and trade settlement practices (e.g., the requirement to pay for securities prior to receipt) expose the Fund to credit and other risks. Further, adverse changes in investment regulations, capital requirements or exchange controls could adversely affect the value of the Fund's investments. These and other risks (e.g., nationalization, expropriation or other confiscation of assets of non-U.S. issuers, difficulties enforcing legal judgments or contractual rights and geopolitical risks) tend to be higher for investments in the securities of companies tied economically to emerging countries. The economies of emerging countries often depend predominantly on only a few industries or revenues from particular commodities, and often are more volatile than the economies of developed countries.

Performance

Because the Fund had not yet completed a full calendar year of operations as of the date of this Prospectus, performance information for the Fund is not included.

Management of the Fund

Investment Adviser: Grantham, Mayo, Van Otterloo & Co. LLC

Investment Team and Senior Members of GMO primarily responsible for portfolio management of the Fund:

Investment Team	Senior Member (Length of Service with Fund)	Title
Focused Equity	Thomas Hancock (since the Fund's inception in 2022)	Head, Focused Equity Team, GMO.
Focused Equity	Hassan Chowdhry (since the Fund's inception in 2022)	Portfolio Manager, Focused Equity Team, GMO.
Focused Equity	James Mendelson (since the Fund's inception in 2022)	Portfolio Manager, Focused Equity Team, GMO.

Purchase and sale of Fund shares

Under ordinary circumstances, you may purchase the Fund's shares directly from GMO Trust (the "Trust") on days when the New York Stock Exchange ("NYSE") is open for business. Purchase orders should be submitted directly to the "Trust" or through a broker or agent authorized to accept purchase and redemption orders on the Fund's behalf. Investors who have entered into agreements with the Trust may purchase shares of the Fund through the National Securities Clearing Corporation ("NSCC").

Except for Class R6 shares and Class I shares, an investor's eligibility to purchase Fund shares or different classes of Fund shares depends on its meeting either (i) the "Minimum Total Fund Investment," which includes only an investor's total investment in the Fund, or (ii) the "Minimum Total GMO Investment," both of which are set forth in the table below. Each of Class R6 shares and Class I shares are available for purchase by (i) eligible retirement plans (e.g., 401(k) plans, 457 plans, employer-sponsored 403(b) plans, profit-sharing and money purchase pension plans, defined benefit plans and non-qualified deferred compensation plans), (ii) section 529 plans and other omnibus accounts, and (iii) any other investors whose accounts are maintained by the Fund through third-party platforms or intermediaries. There is no minimum investment amount to purchase Class R6 shares or Class I shares. For investors owning shares of the Fund, no minimum additional investment is required to purchase additional shares of the Fund.

Minimum investment criteria for class eligibility

	Minimum Total Fund Investment	Minimum Total GMO Investment
Class III Shares	N/A	$5 million
Class IV Shares	$125 million	$250 million
Class V Shares	$250 million	$500 million
Class VI Shares	$350 million	$750 million

Fund shares are redeemable. Under ordinary circumstances, you may redeem the Fund's shares on days when the NYSE is open for business. Redemption orders should be submitted directly to the Trust unless the Fund shares to be redeemed were purchased through a broker or agent, in which case the redemption order should be submitted to that broker or agent. Investors who have entered into agreements with the Trust may redeem shares of the Fund through the NSCC. For instructions on redeeming shares directly, call the Trust at 1-617-346-7646 or send an email to SHS@GMO.com.

U.S. tax information

The Fund intends to elect to be treated, and intends to qualify and be treated each year, as a regulated investment company (a "RIC") under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code") for U.S. federal income tax purposes and to distribute net investment income and net realized capital gains, if any, to shareholders. These distributions are taxable as ordinary income or capital gain to U.S. shareholders that are not exempt from U.S. income tax or investing through a tax-advantaged account. U.S. shareholders who are investing through a tax-advantaged account may be taxed upon withdrawals from that account.

Financial intermediary compensation

The Fund makes payments out of the net assets attributable to Class I shares for sub-transfer agency, recordkeeping and other administrative services provided by financial intermediaries to Class I shareholders. In addition, GMO pays brokers, agents, or other financial intermediaries for transfer agency and related services. These payments create a conflict of interest by creating a financial incentive for the broker or other financial intermediary and salesperson to recommend the Fund over another investment. GMO also makes payments to financial intermediaries for the sale of Fund shares, which creates a similar conflict of interest. Ask your salesperson or consult your financial intermediary's website for more information.

ADDITIONAL INFORMATION ABOUT THE FUND'S INVESTMENT STRATEGIES, RISKS, AND EXPENSES

Fund Summary. The preceding section contains a summary of the investment objective, fees and expenses, principal investment strategies, principal risks, management, and other important information for the Fund. The summary is not all-inclusive, and the Fund may make investments, employ strategies, and be exposed to risks that are not described in its summary. More information about the Fund's investments and strategies is contained in the Statement of Additional Information ("SAI"). See the back cover of this Prospectus for information about how to receive the SAI.

Fundamental Investment Objective/Policies. The Board of Trustees ("Trustees") of the Trust may change the Fund's investment objective or policies without shareholder approval or prior notice unless an objective or policy is identified in this Prospectus or in the SAI as "fundamental." Neither the Fund nor GMO guarantees that the Fund will be able to achieve its investment objective.

Definitions. When used in this Prospectus, the term "invest" includes direct and indirect investing and long and short investing and the term "investments" includes direct and indirect investments and long and short investments. For example, the Fund may invest indirectly in a given asset or asset class by investing in another GMO Fund or in derivatives and synthetic instruments, and the resulting exposure to the asset or asset class may be long or short. When used in this Prospectus, (i) the terms "bonds," "debt investments," "fixed income investments," and "fixed income securities" include (a) obligations of an issuer to make payments on future dates of principal, interest (whether fixed or variable) or both and (b) synthetic debt instruments created by GMO by investing in derivatives (e.g., a futures contract, swap contract, forward currency contract or option); (ii) each of the terms "emerging markets" and "emerging countries" means the world's less developed countries; (iii) the term "equities" refers to common and preferred stocks and other stock-related securities, such as convertible securities, depositary receipts, and equity real estate investment trusts (REITs) and income trusts; (iv) the term "sovereign debt" refers to a fixed income security issued by a government or a derivative providing exposure to sovereign debt; (v) the term "total return" includes capital appreciation and income; (vi) the term "underlying GMO Funds" refers to other series of GMO Trust; (vii) the term "underlying funds" refers to underlying GMO Funds and investment companies not advised by GMO, including, among others, closed-end funds, money market funds, and ETFs; (viii) the terms "event-driven" and "merger arbitrage" refer to transactions in which the Fund purchases securities at prices below the value of the consideration GMO expects the Fund to receive for them upon consummation of an anticipated merger, acquisition, exchange offer, tender offer, or other similar transaction in which the transaction price substantially exceeds the market price of the securities before the announcement of the transaction; and (ix) the term "agency mortgage-backed securities" refers to fixed income investments that are issued or guaranteed by the U.S. government, its agencies or instrumentalities, which include mortgage pass-through securities representing interests in pools of mortgage loans issued or guaranteed by the Government National Mortgage Association, the Federal National Mortgage Association, or the Federal Home Loan Mortgage Corporation.

Tax Consequences. Unless otherwise specified in this Prospectus or in the SAI, GMO is not obligated to, and generally will not, consider tax consequences when seeking to achieve the Fund's investment objective (e.g., the Fund may engage in transactions or make investments in a manner that is not tax efficient for U.S. federal, state or local tax purposes, or non-U.S. tax purposes).

Portfolio Turnover. The Fund is not subject to any limit on the frequency with which portfolio securities may be purchased or sold, and GMO makes investment decisions for the Fund without regard to portfolio turnover rates. High turnover rates may create additional taxable income for shareholders. If portfolio turnover results in the recognition of short-term capital gains, those gains, when distributed, typically are taxed to shareholders at ordinary income tax rates. See "Distributions and Taxes" for more information.

Investments in GMO U.S. Treasury Fund and Unaffiliated Money Market Funds. The Fund may invest in GMO U.S. Treasury Fund, in money market funds unaffiliated with GMO, and directly in the types of investments typically held by money market funds.

Fee and Expense Information. The following paragraph contains additional information about the fee and expense information included in the Fund Summary.

Annual Fund Operating Expenses − Other Expenses and Acquired Fund Fees and Expenses. The amounts listed under "Other expenses" in the "Annual Fund operating expenses" table included in the Fund Summary generally represent an annualized estimate of the Fund's direct operating expenses for its initial fiscal year. The Fund may invest in other GMO Funds as well as exchange-traded funds (ETFs) and other pooled investment vehicles (collectively, the "acquired funds"), and the indirect net expenses associated with the Fund's investment (if any) in acquired funds are included in "Other expenses" if those expenses are expected to be less than 0.01% of the average net assets of the Fund. If the indirect net expenses associated with the Fund's investment in acquired funds ("acquired fund fees and expenses") are expected to be 0.01% or more of the Fund's average net assets, these expenses would be reflected in the "Annual Fund operating expenses" table under "Acquired fund fees and expenses." Acquired fund fees and expenses do not include expenses associated with investments in the securities of unaffiliated companies unless those companies hold themselves out to be investment companies. Actual indirect expenses will vary depending on the particular acquired funds in which the Fund invests.

Purchase Premiums and Redemption Fees. Purchase premiums and redemption fees are paid to and retained by a fund to help offset estimated portfolio transaction costs and other related costs (e.g., bid to ask spreads, stamp duties, and transfer fees) incurred by the fund directly or indirectly as a result of an investor's purchase or redemption by allocating estimated transaction costs to the purchasing or redeeming shareholder. The Fund does not currently charge purchase premiums or redemption fees. However, the Fund may impose a new purchase premium and redemption fee or increase or decrease an existing fee at any time.

Fee and Expense Examples. The expense example under "Example" included in the Fund's summary assumes that a shareholder reinvests all dividends and distributions, if any.

Securities Lending. As described in the Fund summary and the SAI, the Fund may seek to earn additional income by lending its portfolio securities. Security loans are subject to termination by the Fund at any time and are required to be secured at all times by collateral in an amount at least equal in value to the market value of the securities loaned. Daily market fluctuations could cause the value of loaned securities to be more or less than the value of the collateral received. When this occurs, the collateral is adjusted and settled on the following business day. Voting rights or rights to consent with respect to the loaned securities pass to the borrower. The Fund has the right to call loans at any time on reasonable notice to exercise voting rights associated with the loaned security and expects to do so if both (i) GMO receives adequate notice of a proposal on which shareholders are being asked to vote, and (ii) GMO believes that the benefits to the Fund of voting on that proposal outweigh the benefits to the Fund of having the security remain out on loan.

Temporary Defensive Positions. Temporary defensive positions are positions that are inconsistent with the Fund's principal investment strategies and are taken in response to adverse market, economic, political, or other conditions.

The Fund may take temporary defensive positions if deemed prudent by GMO. To the extent the Fund takes a temporary defensive position, or otherwise holds cash, cash equivalents, or high quality debt investments on a temporary basis, the Fund may not achieve its investment objective.

Potential Overexposure/Underexposure to Investments. The Fund may be deemed to have received a purchase order or redemption request (e.g., a transaction placed through the National Securities Clearing Corporation ("NSCC") or an agent of the Trust) prior to the Fund's actual receipt of the details of the request. In addition, GMO may decide not to place portfolio trades for the Fund in response to a purchase order or redemption request until after the close of business on the day the purchase order or redemption request is received by the Fund, which could result in the Fund being temporarily underexposed (in the case of a large purchase order) or overexposed or leveraged (in the case of a large redemption request) to the Fund's intended investment program, leading to underperformance relative to that program when the Fund is underexposed in a rising market or overexposed (leveraged) in a falling market. The impact of this underexposure or overexposure can be significant, particularly when the purchase order or redemption request is large relative to the size of the Fund.

Fund Codes. See "Fund Codes" on page 32 of this Prospectus for information regarding the Fund's ticker, news-media symbol, and CUSIP number.

This Prospectus does not offer shares of the Trust in any state where they may not lawfully be offered.

DESCRIPTION OF PRINCIPAL RISKS

Investing in mutual funds involves many risks. Factors that may affect the Fund's portfolio as a whole, called "principal risks," are discussed briefly in the Fund Summary and in more detail in this section. The risks of investing in the Fund depend on the types of investments in its portfolio and the investment strategies GMO employs on its behalf. This section describes the principal risks and some related risks but does not describe every possible risk of investing in the Fund. The Fund could be subject to additional risks because of the types of investments it makes and market conditions, which can change over time. The SAI includes more information about the Fund and its investments.

To the extent the Fund invests in other GMO Funds (which are offered pursuant to separate prospectuses or private placement memoranda) or other investment companies (collectively, "underlying Funds") (as indicated under "Principal Investment Strategies" in the Fund Summary and further described in "Additional Information About the Fund's Investment Strategies, Risks, and Expenses"), it is exposed to the risks to which the underlying Funds in which it invests are exposed, as well as the risk that underlying Funds will not perform as expected. Therefore, unless otherwise noted, the principal risks summarized below include both direct and indirect risks, and, as indicated in the "Additional Information About the Fund's Investment Strategies, Risks, and Expenses" section of this Prospectus, references in this section to investments made by the Fund include those made both directly by the Fund and indirectly by the Fund.

An investment in the Fund, by itself, generally does not provide a complete investment program but rather is intended to serve as part of an investor's overall investment program. An investment in the Fund is not a bank deposit and, therefore, is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

• ***MARKET RISK.*** The Fund is subject to market risk, which is the risk that the market price of its holdings will decline. Market risks include:

Equities. To the extent the Fund invests in equities, it runs the risk that the market price of an equity will decline. That decline may be attributable to factors affecting the issuer, such as a failure to keep up with technological advances or reduced demand for its goods or services, or to factors affecting a particular industry, such as a decline in demand, labor or raw material shortages, or increased production costs. A decline also may be attributable to general market conditions not specifically related to a company or industry, such as existing or anticipated adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates, rising inflation (expectations for rising inflation), or adverse investor sentiment generally. The market prices of equities are volatile and can decline in a rapid or unpredictable manner. If the Fund purchases an equity for what GMO believes is less than its fundamental fair (or intrinsic) value as assessed by GMO and GMO's assessment proves to be incorrect, the Fund runs the risk that the market price of the equity will not appreciate or will decline. The market prices of equities trading at high multiples of current earnings often are more sensitive to changes in future earnings expectations than the market prices of equities trading at lower multiples.

• ***MANAGEMENT AND OPERATIONAL RISK.*** The Fund is subject to management risk because, in relying on GMO to achieve its investment objective, it runs the risk that GMO's investment techniques will fail to produce desired results and cause the Fund to incur significant losses. GMO also may fail to use derivatives effectively, choosing to hedge or not to hedge positions at disadvantageous times.

As described in the Fund's summary, GMO uses quantitative models as part of its investment process. The Fund runs the risk that GMO's models will not accurately predict future market movements. In addition, GMO's models rely on assumptions and data that are subject to limitations (e.g., inaccuracies, staleness) that could adversely affect their predictive value. The Fund also runs the risk that GMO's assessment of an investment (including a security's fundamental fair (or intrinsic) value) is wrong. The usefulness of GMO's models may be reduced by the faulty translation of mathematical models into computer code, by reliance on proprietary and third-party technology that includes errors, omissions, bugs, or viruses, and by the inputting of limited or imperfect data for processing by the model. These risks are more likely to occur when GMO is making changes to its models. Any of these risks could adversely affect the Fund's performance.

There can be no assurance that key GMO personnel will continue to be employed by GMO. The loss of their services could have an adverse effect on GMO's ability to achieve the Fund's investment objective.

The Fund is also subject to operational risks resulting from other services provided by GMO and other service providers, including pricing, administrative, accounting, tax, legal, custody, transfer agency, and other operational services. Examples of such operational risks include the possibility of loss caused by inadequate procedures and controls, human error and system failures by a service provider. For example, trading delays or errors could prevent the Fund from benefiting from investment gains or avoiding losses. In addition, a service provider may be unable to provide a net asset value for the Fund or share class on a timely basis. GMO is not contractually liable to the Fund for losses associated with operational risk absent its willful misfeasance, bad faith, gross negligence, or reckless disregard of its contractual obligations to provide services to the Fund. Other Fund service providers also have contractual limitations on their liability to the Fund for losses resulting from their errors.

The Fund and its service providers (including GMO) are susceptible to cyber-attacks and to technological malfunctions that have effects similar to those of a cyber-attack. Cyber-attacks include, among others, stealing, corrupting, or preventing access to data maintained online or digitally, preventing legitimate users from accessing information or services on a website, releasing confidential information without authorization, and disrupting operations. Successful cyber-attacks against, or security breakdowns of, the Fund, GMO, a sub-adviser, or a custodian, transfer agent, or other service provider may adversely affect the Fund or its shareholders. For instance, cyber-attacks may interfere with the processing of shareholder transactions, affect the Fund's ability to calculate its net asset value, cause the release or misappropriation of private shareholder information or confidential Fund information, impede trading, interfere with the use of quantitative models, cause reputational damage, and subject the Fund to regulatory fines, penalties or financial losses, and additional compliance costs. The Fund's service providers regularly experience cyber-attacks and expect they will continue to do so. While GMO has established business continuity plans and systems designed to prevent, detect and respond to cyber-attacks, those plans and systems have inherent limitations. In addition, the global spread of COVID-19 has caused the GMO Funds and their service providers to implement business continuity plans, including widespread use of work-from-home arrangements, which may make the Funds and those service providers more susceptible to cyber-attacks. Similar types of cyber security risks also are present for issuers of securities in which the Fund invests, which could have material adverse consequences for those issuers and result in a decline in the market price of their securities. Furthermore, as a result of cyber-attacks, technological disruptions, malfunctions, or failures, an exchange or market may close or suspend trading in specific securities or the entire market, which could prevent the Fund from, among other things, buying or selling the Fund or accurately pricing its securities. The Fund cannot directly control cyber security plans and systems of its service providers, the Fund's counterparties, issuers of securities in which the Fund invests, or securities markets and exchanges, and the Fund's service providers, counterparties, or issuers may have limited, if any, indemnification obligations to GMO or the Fund, each of whom could be negatively affected as a result.

• ***SMALLER COMPANY RISK.*** Companies with smaller market capitalizations tend to have limited product lines, markets, or financial resources, lack the competitive strength of larger companies, have less experienced managers and depend on fewer key employees than larger companies. In addition, their securities often are less widely held and trade less frequently and in lesser quantities, and their market prices often fluctuate more, than the securities of companies with larger market capitalizations. Market risk and illiquidity risk are particularly pronounced for the securities of these companies.

• ***FOCUSED INVESTMENT RISK.*** To the extent that the Fund's investments are focused in a limited number of asset classes, sectors, industries, issuers, currencies, countries, or regions that are subject to the same or similar risk factors, or whose market prices are closely correlated, the Fund is subject to higher overall risk than the Fund would be if its investments were more diversified or whose market prices are not as closely correlated.

To the extent the Fund invests in the securities of a small number of issuers, it will have higher exposure to adverse developments affecting those issuers and to a decline in the market price of those issuers' securities than it would if it invested in the securities of a larger number of issuers. Securities, sectors, or companies that share common characteristics are often subject to similar business risks and regulatory burdens and often react similarly to specific economic, market, political or other developments.

Similarly, to the extent the Fund has a significant portion of its assets in investments tied economically to a particular geographic region, country, or market (e.g., emerging markets), or to sectors within a region, country or market, it will have more exposure to regional and country economic risks than do funds making investments that are more geographically diverse. The political and economic prospects of one country or group of countries within the same geographic region may affect other countries in that region, and a recession, debt crisis or decline in the value of the currency of one country can spread to other countries. Furthermore, companies in a particular geographic region or country are vulnerable to events affecting other companies in that region or country because they often share common characteristics, are exposed to similar business risks and regulatory burdens, and react similarly to specific economic, market, political or other developments. See also "Non-U.S. Investment Risk."

• ***ILLIQUIDITY RISK.*** Illiquidity risk is the risk that low trading volume, lack of a market maker, large position size or legal restrictions (including daily price fluctuation limits or "circuit breakers") limit, delay or prevent the Fund from selling particular securities or closing derivative positions at desirable prices or at all. In addition to these risks, the Fund is exposed to illiquidity risk when it has an obligation to purchase particular securities (e.g., as a result of entering into reverse repurchase agreements, writing a put, or closing a short position). If the Fund is unable to sell an illiquid asset, it could miss other investment opportunities, fail to meet redemption requests or be unable to meet other cash needs. In addition, the Fund may be required to sell other assets it would prefer to hold.

To the extent the Fund's investments include asset-backed securities, distressed, defaulted or other low quality debt securities, emerging country debt or equity securities or securities of companies with smaller market capitalizations or smaller total float-adjusted market capitalizations, it is subject to illiquidity risk. These types of investments can be difficult to value (see "Determination of Net Asset Value"), exposing the Fund to the risk that the price at which it sells an investment will be less than the price at which it was valued when held by the Fund. Illiquidity risk also tends to be higher in times of financial stress, and the markets for securities in entire asset classes can become illiquid during times of market turmoil. For example, inflation-protected securities issued by the U.S. Treasury ("TIPS") have undergone periods of greatly reduced liquidity during disruptions in fixed income markets, such as occurred in 2008. Less liquid securities are often more susceptible than other securities to price declines when market prices decline generally.

The Fund may buy securities or other investments that are less liquid than those in its benchmark. The more illiquid investments the Fund has, the higher the likelihood of its paying redemption proceeds in-kind.

The Board of Trustees has designated GMO as administrator to the Fund's liquidity risk management program, which was adopted by the Fund pursuant to Rule 22e-4 under the 1940 Act. Under that program, the Fund is required to classify its investments into specific liquidity categories and monitor compliance with limits on illiquid investments. The term "illiquid investments" for purposes of the program means investments that GMO reasonably expects cannot be sold or disposed of under current market conditions in seven calendar days or less without significantly changing the market value. While the liquidity risk management program is designed to assist in the assessment and management of illiquidity risk, there is no guarantee it will be effective in reducing the illiquidity risk of the Fund's investments.

• ***DERIVATIVES AND SHORT SALES RISK.*** The Fund may invest in derivatives, which are financial contracts whose value depends on, or is derived from, the value of underlying assets, such as securities, commodities or currencies, reference rates, such as interest rates, currency exchange rates or inflation rates, or indices. The use of derivatives involves the risk that their value may not change as expected relative to changes in the value of the assets, rates, or indices they are designed to track. Derivatives include, but are not limited to, futures contracts, forward contracts, foreign currency contracts, swap contracts, contracts for differences, options on securities and indices, options on futures contracts, options on swap contracts, interest rate caps, floors and collars, reverse repurchase agreements, and other over-the-counter (OTC) contracts. The SAI describes the various types of derivatives in which the Fund invests and how they are used in the Fund's investment strategies.

The use of derivatives involves risks that are in addition to, and potentially higher than, the risks of investing directly in securities. In particular, the Fund's use of OTC derivatives exposes it to the risk that the counterparties will be unable or unwilling to make timely settlement payments or otherwise honor their obligations. An OTC derivatives contract typically can be closed, or the position transferred, only with the consent of the other party to the contract. If the counterparty defaults, the Fund will have contractual remedies but may be unable to enforce them. Because the contract for each OTC derivative is individually negotiated, the counterparty may interpret contractual terms (e.g., the definition of default) differently than the Fund, and if it does, GMO may decide not to pursue the Fund's claims against the counterparty to avoid the cost and unpredictability of legal proceedings. The Fund, therefore, runs the risk of being unable to obtain payments GMO believes are owed to it under an OTC derivatives contract or of those payments being delayed or made only after the Fund has incurred litigation costs.

The Fund may invest in derivatives that (i) do not require the counterparty to post collateral (e.g., forward currency contracts), (ii) require collateral but do not provide for perfection of the Fund's security interest, (iii) require a significant upfront deposit by the Fund unrelated to the derivative's fundamental fair (or intrinsic) value, or (iv) do not require that collateral be regularly marked-to-market. When a counterparty's obligations are not fully secured by collateral, the Fund runs a higher risk of not being able to recover what it is owed if the counterparty defaults. Derivatives also present other risks described in this section, including market risk, illiquidity risk, currency risk, credit risk, and counterparty risk.

Many derivatives, in particular OTC derivatives, are complex and their valuation often requires modeling and judgment, which increases the risk of mispricing or improper valuation and exposes the Fund to the risk that the valuations generated by GMO's pricing models are different from the amounts the Fund realizes when it closes or sells a derivative. Valuation risk is more pronounced when the Fund enters into OTC derivatives with specialized terms because the value of those derivatives in some cases is determined only by reference to similar derivatives with more standardized terms. As a result the Fund runs a risk that inaccurate valuations will result in higher than necessary cash payments to counterparties, under-collateralization and/or errors in the calculation of the Fund's net asset value. OTC swap contracts and other OTC derivatives are highly susceptible to illiquidity risk (see "Illiquidity Risk") and counterparty risk (see "Counterparty Risk"). These derivatives also are subject to documentation risk, which is the risk that ambiguities, inconsistencies or errors in the documentation relating to a derivative transaction will lead to a dispute with the counterparty or unintended investment results. Because many derivatives have a leverage component (i.e. a notional value in excess of the assets needed to establish and/or maintain the derivative position), adverse changes in the value or level of the underlying asset, rate or index could result in a loss substantially higher than the amount invested in the derivative itself. See "Leveraging Risk."

Special tax rules apply to the Fund's transactions in derivatives, which could increase the taxes payable by shareholders subject to U.S. income taxation. In particular, the Fund's derivative transactions potentially could cause a substantial portion of the Fund's distributions to be taxable at ordinary income tax rates. In addition, the tax treatment of the Fund's use of derivatives will sometimes be unclear. See "Distributions and Taxes" for more information.

Derivatives Regulation. The U.S. government has enacted legislation that provides for regulation of the derivatives market, including clearing, margin, reporting, and registration requirements. The European Union, the United Kingdom, and some other countries have adopted similar requirements, which affect the Fund when it enters into a derivatives transaction with a counterparty subject to those requirements. Since these requirements are evolving, their full impact on the Fund remains unclear.

Transactions in some types of swaps (including interest rate swaps and credit default swaps on North American and European indices) are required to be centrally cleared. In a transaction involving those swaps ("cleared derivatives"), the Fund's counterparty is a clearing house rather than a bank or broker. Since the Fund is not a member of any clearing houses and only members of a clearing house ("clearing members") can participate directly in the clearing house, the Fund holds cleared derivatives through accounts at clearing members. In cleared derivative positions, the Fund makes payments (including margin payments) to and receive payments from a clearing house through its accounts at clearing members. Clearing members guarantee performance of their clients' obligations to the clearing house.

In some ways, cleared derivative arrangements are less favorable to mutual funds than OTC derivatives (commonly referred to as "bilateral arrangements"), for example, by requiring that funds provide more margin for their cleared derivative positions. Also, as a general matter, in contrast to an OTC derivative position, following a period of notice to the Fund, a clearing member at any time can require termination of an existing cleared derivative position. Clearing houses also have broad rights to increase the margin required for existing positions or to terminate those positions at any time. Any increase in margin requirements or termination of existing cleared derivative positions by the clearing member or the clearing house could interfere with the ability of the Fund to pursue its investment strategy, and any increase in margin held by a clearing member could expose the Fund to higher credit risk to its clearing member. Also, the Fund is subject to risk if it enters into a derivatives transaction that is required to be cleared (or that GMO expects to be cleared) and no clearing member is willing or able to clear the transaction on the Fund's behalf. In those cases, the position might have to be terminated, and the Fund could lose some or all of the benefit of the position, including loss of an increase in the value of the position and loss of hedging protection. In addition, the documentation governing the relationship between the Fund and clearing members generally is less favorable to the Fund than the documentation for typical OTC derivatives. For example, documentation relating to cleared derivatives generally includes a one-way indemnity by the Fund in favor of the clearing member for losses the clearing member incurs as the Fund's clearing member. Also, that documentation typically does not provide the Fund any remedies if the clearing member defaults or becomes insolvent. While futures contracts involve similar risks, the risks are likely to be more pronounced for cleared derivatives due to their more limited liquidity and market history.

Some types of cleared derivatives are required to be executed on a swap execution facility. A swap execution facility is a trading platform that permits multiple market participants to execute derivatives by accepting bids and offers made by multiple other participants in the platform. While this execution requirement is designed to increase transparency and liquidity in the cleared derivatives market, trading on a swap execution facility can create additional costs for the Fund. For example, swap execution facilities typically charge fees, and if the Fund executes derivatives on a swap execution facility through a broker intermediary, the intermediary may impose fees as well. Also, the Fund may be required to indemnify a swap execution facility, or a broker intermediary who executes cleared derivatives on a swap execution facility on the Fund's behalf, against any losses or costs that may be incurred as a result of the Fund's transactions on the swap execution facility.

If the Fund wishes to execute a package of transactions that includes a swap that is required to be executed on a swap execution facility as well as other transactions (for example, a package that includes both a security swap and an interest rate swap that hedges interest rate exposure with respect to that security), the Fund may be unable to execute all components of the package on the swap execution facility. In that case, the Fund would need to trade some components of the package on the swap execution facility and other components in another manner, which could subject the Fund to the risk that some components will be executed successfully and others not, or that the components would be executed at different times, leaving the Fund with an unhedged position for a period of time.

The U.S. government, the European Union, the United Kingdom, and some other jurisdictions have adopted rules imposing mandatory minimum margin requirements for OTC derivatives. These rules impose minimum variation margin requirements and in some cases minimum initial margin requirements that could increase the amount of margin the Fund needs to post in connection with its derivatives transactions and, therefore, make derivatives transactions more expensive. The rules also impose regulatory requirements on the timing for transferring margin and the types of collateral the parties are permitted to exchange.

In October 2020, the Securities and Exchange Commission ("SEC") adopted Rule 18f-4 under the Investment Company Act of 1940, as amended (the "1940 Act"), which governs the use of derivatives and certain financing transactions (e.g., reverse repurchase agreements) by registered investment companies. Among other things, Rule 18f-4 requires mutual funds that invest in derivative instruments above a specified amount to apply a value-at-risk based limit on their use of certain derivatives and financing transactions and to adopt and implement a derivatives risk management program. To the extent the Fund invests in derivative instruments in a limited amount, it will not be subject to all the requirements of Rule 18f-4. In connection with the adoption of Rule 18f-4, the Fund is not required to comply with the asset segregation framework arising from prior SEC guidance.

Compliance with Rule 18f-4 and other SEC rules and regulations by the Fund could, among other things, increase the Fund's cost of investing in derivatives, limit their availability or utility, or otherwise adversely affect their performance.

Implementation of the clearing requirement has increased the cost of derivatives transactions for the Fund, since the Fund has to pay fees to its clearing members and is typically required to post more margin for cleared derivatives than it historically posted for OTC derivatives. The cost of derivatives transactions could increase further as clearing members raise their fees to cover the cost of additional capital requirements and other regulatory changes applicable to clearing members. While these rules and regulations and central clearing of some derivatives transactions are designed to reduce systemic risk (i.e. the risk that the interdependence of large derivatives dealers could cause them to suffer liquidity, solvency or other challenges simultaneously), there is no assurance that they will achieve that result.

Options. The Fund is permitted to write options. The market price of an option is affected by many factors, including changes in the market prices or dividend rates of underlying securities (or in the case of indices, the securities in those indices); the time remaining before expiration; changes in interest rates or exchange rates; and changes in the actual or perceived volatility of the relevant index and underlying securities. The market price of an option also may be adversely affected if the market for the option becomes less liquid. In addition, since an American-style option allows the holder to exercise the option at any time before the option's expiration, the writer of an American-style option has no control over when it will be required to fulfill its obligations as a writer of the option. (The writer of a European-style option is not subject to this risk because the holder may exercise the option only on its expiration date). If the Fund writes a call option and does not hold the underlying security, the Fund's potential loss is unlimited.

National securities exchanges generally have established limits on the maximum number of options an investor or group of investors acting in concert may write. These limits can restrict the Fund's ability to purchase or write options on a particular security.

Unlike an exchange-traded option, which is standardized with respect to the underlying securities, expiration date, contract size, and strike price, the terms of an OTC option (i.e. an option not traded on an exchange) generally are established through negotiation with the other party to the option contract. While the Fund has higher flexibility to tailor an OTC option, OTC options generally expose the Fund to higher credit risk than exchange-traded options, which are guaranteed by the clearing members of the exchanges where they are traded. Purchasing and writing put and call options are highly specialized activities and entail higher risks than simply purchasing and selling publicly-traded securities.

Short Investment Exposure. The Fund may sell securities or currencies short as part of its investment program in an attempt to increase its returns or for hedging purposes. Short sales of a security the Fund does not own expose the Fund to the risk that it will be required to acquire that security when it has appreciated in value, thus resulting in a loss to the Fund. Purchasing a security or currency to close out a short position can itself cause the price of the security or currency to rise further, thereby increasing any losses. To the extent that the Fund sells short a security or currency it does not typically own, it is required to borrow the security, to pay borrowing fees to a broker and to pay the broker any dividends or interest it receives on the borrowed security.

The Fund also may create short investment exposure by taking a derivative position in which the value of the derivative moves in the opposite direction from the price of an underlying asset, pool of assets, rate, currency or index.

Short sales of securities or currencies the Fund does not own and "short" derivative positions creates investment leverage, and the amount of the Fund's potential loss is unlimited. The Fund is subject to leveraging risk and other investment risks described in this "Description of Principal Risks" section to the extent it sells short securities or currencies it does not own or takes "short" derivative positions.

- ***COUNTERPARTY RISK.*** To the extent the Fund enters into contracts with counterparties, such as repurchase or reverse repurchase agreements or OTC derivatives contracts, or lends its securities, it runs the risk that the counterparty will be unable or unwilling to make timely settlement payments or otherwise honor its obligations. If a counterparty fails to meet its contractual obligations, goes bankrupt, or otherwise experiences a business interruption, the Fund could miss investment opportunities or otherwise be forced to hold investments it would prefer to sell, resulting in losses for the Fund. In addition, the Fund may suffer losses if a counterparty fails to comply with applicable laws, regulations or other requirements. The Fund is not subject to any limits on its exposure to any one counterparty nor to a requirement that counterparties with whom it enters into contracts maintain a specific rating by a nationally recognized rating organization. Counterparty risk is pronounced during unusually adverse market conditions and is particularly acute when financial services firms are exposed (as they were in 2008) to systemic risks of the type evidenced by the insolvency of Lehman Brothers and subsequent market disruptions.

Participants in OTC derivatives markets typically are not subject to the same level of credit evaluation and regulatory oversight as are members of exchange-based markets; therefore, OTC derivatives generally expose the Fund to higher counterparty risk than exchange-traded derivatives. The Fund is subject to the risk that a counterparty will not settle a derivative in accordance with its terms because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem. If a counterparty's obligation to the Fund is not collateralized, then the Fund is essentially an unsecured creditor of the counterparty. If a counterparty defaults, the Fund will have contractual remedies (whether or not the obligation is collateralized), but the Fund may be unable to enforce them, thus causing the Fund to suffer a loss. Counterparty risk is higher for derivatives with longer maturities because of the longer time during which events may occur that prevent settlement. Counterparty risk also is higher when the Fund has entered into derivatives contracts with a single or small group of counterparties as it sometimes does as a result of its use of swaps and other OTC derivatives. To the extent the Fund uses swap contracts, it will be subject, in particular, to the creditworthiness of the counterparties because some types of swap contracts have terms longer than six months (and, in some cases, decades). The creditworthiness of a counterparty can be expected to be adversely affected by higher than average volatility in the markets, even if the counterparty's net market exposure is small relative to its capital. Counterparty risk still exists even if a counterparty's obligations are secured by collateral if the Fund's interest in the collateral is not perfected or additional collateral is not posted promptly as required. GMO's view with respect to a particular counterparty is subject to change. The fact, however, that GMO's view becomes more negative (whether due to external events or otherwise) does not mean that the Fund's existing transactions with that counterparty will be terminated or modified. In addition, the Fund may enter into new transactions with a counterparty that GMO no longer views favorably (for example, re-establishing the transaction with a lower notional amount or entering into a countervailing trade with the same counterparty). Counterparty risk also will be higher if a counterparty's obligations exceed the value of the collateral held by the Fund (if any).

The Fund is subject to counterparty risk because it executes its securities transactions through brokers and dealers. If a broker or dealer fails to meet its contractual obligations, goes bankrupt, or otherwise experiences a business interruption, the Fund could miss investment opportunities or be unable to dispose of investments it would prefer to sell, resulting in losses for the Fund. Counterparty risk with respect to derivatives has been and will continue to be affected by new rules and regulations relating to the derivatives market. As described under "Derivatives and Short Sales Risk," some derivatives transactions are required to be centrally cleared, and a party to a cleared derivatives transaction is subject to the credit risk of the clearing house and the clearing member through which it holds its cleared position.

Credit risk of market participants with respect to derivatives that are centrally cleared is concentrated in a few clearing houses, and it is not clear how an insolvency proceeding of a clearing house would be conducted and what impact an insolvency of a clearing house would have on the financial system. Also, in the event of a counterparty's (or its affiliate's) insolvency, the Fund's ability to exercise remedies, such as the termination of transactions, netting of obligations or realization on collateral, could be stayed or eliminated under special resolution regimes adopted in the United States, the European Union and various other jurisdictions. Such regimes provide governmental authorities broad authority to intervene when a financial institution is experiencing financial difficulty. In particular, in the European Union and the United Kingdom, governmental authorities could reduce, eliminate, or convert to equity the liabilities to the Fund of a counterparty experiencing financial difficulties (commonly referred to as a "bail in").

- ***LEVERAGING RISK.*** The use of traditional borrowing (including to meet redemption requests), reverse repurchase agreements and other derivatives, short sales and securities lending can create leverage (i.e. the Fund's investment exposures exceed its net asset value). Leverage increases the Fund's losses when the value of its investments (including derivatives) declines. Because many derivatives have a leverage component (i.e. a notional value in excess of the assets needed to establish or maintain the derivative position), adverse changes in the value or level of the underlying asset, rate, or index may result in a loss substantially higher than the amount invested in the derivative itself. In the case of swaps, the risk of loss generally is related to a notional principal amount, even if the parties have not made any initial investment. Like short sales, some derivatives have the potential for unlimited loss, regardless of the size of the initial investment. Similarly, the Fund's portfolio will be leveraged and can incur losses if the value of the Fund's assets declines between the time a redemption request is received or deemed to be received by the Fund (which in some cases is the business day prior to actual receipt by the Fund of the redemption request) and the time at which the Fund liquidates assets to meet redemption requests. Such a decline in the value of the Fund's assets is more likely in the case of the Fund being managed from GMO's non-U.S. offices for which the time period between the determination of net asset value and corresponding liquidation of assets could be longer due to time zone differences. In the case of redemptions representing a significant portion of the Fund's portfolio, the leverage effects described above can be significant and could expose the Fund and non-redeeming shareholders to material losses.

The Fund may manage some of its derivative positions by offsetting derivative positions against one another or against other assets. To the extent offsetting positions do not behave in relation to one another as expected, the Fund may perform as if it were leveraged.

The Fund is permitted to purchase securities on margin or to sell securities short, either of which creates leverage. To the extent the market prices of securities purchased on margin or sold short increase, the Fund will be required to provide additional collateral. The requirement to post additional collateral may limit a Fund's ability to make other investments that it would be able to make in the absence of having to post additional collateral.

- ***MARKET DISRUPTION AND GEOPOLITICAL RISK.*** The Fund is subject to the risk that geopolitical and other events (e.g., wars, pandemics, sanctions and terrorism) will disrupt securities markets, adversely affect particular economies and markets as well as global economies and markets and exacerbate the effects of other risks to which the Fund is subject, thereby reducing the value of the Fund's investments. Sudden or significant changes in the supply or prices of commodities or in other economic inputs (e.g., the marked decline in oil prices in late 2014 and early 2020 and substantial increase in 2022) may have material and unexpected effects on both global securities markets and individual countries, regions, sectors, companies or industries. Terrorism in the United States and around the world has increased geopolitical risk. The terrorist attacks on September 11, 2001 resulted in the closure of some U.S. securities markets for four days, and similar attacks are possible in the future. Securities markets may be susceptible to market manipulation or other fraudulent trading practices, which could disrupt their orderly functioning or reduce the prices of securities traded on them held by the Fund. Fraud and other deceptive practices committed by an issuer of securities held by the Fund, when discovered, will likely cause a steep decline in the market price of those securities and thus negatively affect the value of the Fund's investments. In addition, when discovered, financial fraud may contribute to overall market volatility, which can adversely affect the Fund's investment program.

A default by the U.S. government (as has been threatened over the years) or a shutdown of U.S. government services (including in response to political events) could adversely affect the U.S. economy, reduce the value of many Fund investments, and disrupt the operation of the U.S. or other securities markets. Climate change regulation (such as decarbonization legislation or other mandatory controls to reduce emissions of greenhouse gases) could significantly affect many of the companies in which the Fund invests by, among other things, increasing those companies' operating costs and capital expenditures. Uncertainty over credit worthiness of the sovereign debt of several European Union countries, as well as uncertainty over the continued existence of the European Union itself, has disrupted and may continue to disrupt markets in the United States and around the world. For example, on January 31, 2020, the United Kingdom formally withdrew from the European Union (commonly known as "Brexit"), subject to a transition period. Significant uncertainty remains in the market regarding the ramifications of Brexit, and the range and potential implications of possible political, regulatory, economic and market outcomes are difficult to predict. Moreover, other countries may seek to withdraw from the European Union and/or abandon the euro, the common currency of the European Union. The ultimate effects of these and other social-political or geopolitical issues are not known but could profoundly affect particular economies and markets as well as global economies and markets, which may include companies or assets held or considered for prospective investment by GMO.

War, terrorism, economic uncertainty, and related geopolitical events, such as sanctions, tariffs, the imposition of exchange controls or other cross-border trade barriers, have led, and in the future may lead, to higher short-term market volatility and have had, and in the future may have, adverse long-term effects on U.S. and world economies and markets generally. For example, Russia's invasion of Ukraine beginning in late February, and subsequent related events, have had, and could continue to have, severe adverse effects on regional and global economic markets for securities and commodities. Following Russia's actions, various governments, including the United States, issued broad-ranging economic sanctions against Russia, including, among other sanctions, a prohibition on doing business with certain Russian companies, large financial institutions, officials and oligarchs; the removal by certain countries and the European Union of selected Russian banks from the Society for Worldwide Interbank Financial Telecommunications (commonly referred to as "SWIFT"), the electronic banking network that connects banks globally; and restrictive measure to prevent the Russian Central Bank from undermining the impact of the sanctions. Those events, including sanctions and the potential for future sanctions, including any affecting Russia's energy sector, and other actions, and Russia's retaliatory responses to those sanctions and actions, have adversely affected the Russian economy and may result in the further decline of the value and liquidity of Russian securities, a continued weakening of the ruble and continued exchange closures, and may have other adverse consequences on the Russian economy that affect the value of Russian investments and impair the ability of the Fund to buy, sell, receive or deliver those securities. Moreover, those events have, and could continue to have, an adverse effect on global markets performance and liquidity, thereby negatively affecting the value of a Fund's investments beyond any direct exposure to Russian issuers. In addition, trade disputes (such as the "trade war" between the United States and China that intensified in 2018 and 2019) may affect investor and consumer confidence and adversely affect financial markets and the broader economy, perhaps suddenly and to a significant degree. Events such as these and their impact on the Fund are impossible to predict.

Natural and environmental disasters (such as the earthquake and tsunami in Japan in early 2011), epidemics or pandemics (such as the outbreak of COVID-19 in late 2019 (described below)), and systemic market dislocations (such as the kind surrounding the insolvency of Lehman Brothers in 2008) can adversely affect the market price of the Fund's investments. During such market disruptions, the Fund's exposure to the risks described elsewhere in this "Description of Principal Risks" section will likely increase. Market disruptions, including sudden government interventions, can also prevent the Fund from implementing its investment programs and achieving its investment objective, for example, by causing the Fund's derivatives counterparties to discontinue or limit offering derivatives on some underlying commodities, securities or reference rates. To the extent the Fund has focused its investments in the stock index of a particular region, adverse geopolitical and other events in that region are likely to have a disproportionate impact on the Fund.

An exchange or market may close early, close late or issue trading halts on specific securities, or the ability to buy or sell certain securities may be restricted, which may result in the Fund being unable to buy or sell certain securities. In these circumstances, the Fund may be unable to rebalance its portfolio, may be required to fair value its investments and/or may incur substantial trading losses.

The global outbreak of COVID-19 and subsequent efforts to contain its spread have resulted in, among other things, extreme volatility and reduced liquidity in financial markets; exchange trading suspensions and closures; higher default rates; travel restrictions and disruptions; significant disruptions to business operations and supply chains; lower consumer demand for goods and services; significant job losses and increasing unemployment; event and service cancellations and restrictions; significant challenges in healthcare service preparation and delivery; prolonged quarantines; as well as general concern and uncertainty. The impact of this pandemic and any other epidemic or pandemic that may arise in the future could adversely affect the economies of many nations or the entire global economy and the financial performance of individual issuers, sectors, industries, asset classes, and markets in significant and unforeseen ways. Extraordinary actions taken by governments and central banks to support local and global economies and financial markets in response to the COVID-19 pandemic may not succeed or have the intended effect, and in some cases, have resulted in a large expansion of government deficits and debt, the long-term consequences of which are not known. This crisis or other public health crises may also exacerbate other pre-existing political, social, economic, market and financial risks. The duration of the COVID-19 pandemic and its effects cannot be determined with certainty. The effects of the COVID-19 pandemic or any other future epidemic or pandemic could impair the Fund's ability to maintain operational standards (such as with respect to satisfying redemption requests), disrupt the operations of the Fund's service providers, exacerbate other risks that apply to the Fund, and adversely affect the value and liquidity of the Fund's investments.

• ***LARGE SHAREHOLDER RISK.*** To the extent a large number of shares of the Fund are held by a single shareholder (e.g., an institutional investor or another GMO Fund) or a group of shareholders with a common investment strategy (e.g., GMO asset allocation accounts), the Fund is subject to the risk that a redemption by those shareholders of all or a large portion of their Fund shares will adversely affect the Fund's performance by forcing the Fund to sell portfolio securities at disadvantageous prices to raise the cash needed to satisfy the redemption request or to sell investments when it would not have otherwise done so. In addition, the GMO Funds and other separate accounts over which GMO has investment discretion that invest in the Fund are not limited in how often they may sell Fund shares. Certain of the other GMO Funds and some of those separate accounts may hold a substantial portion of the outstanding shares of the Fund, and asset allocation decisions by GMO may result in substantial redemptions from the Fund. Redemptions of a large number of shares also may increase transaction costs or, by necessitating a sale of portfolio securities, have adverse tax consequences for Fund shareholders. In some cases, a redemption of a large number of shares could disrupt the Fund's operations or force the Fund's liquidation. Further, from time to time the Fund may trade in anticipation of a purchase order or redemption request that ultimately is not received or differs in size from the actual order, leading to temporary underexposure or overexposure to the Fund's intended investment program. In addition, redemptions and purchases of shares by a large shareholder or group of shareholders could limit the use of any capital losses (including capital loss carryforwards) to offset realized capital gains (if any) and other losses that would otherwise reduce distributable net investment income (if any). In addition, large shareholders may limit or prevent the Fund's use of equalization for U.S. federal tax purposes.

To the extent the Fund invests in other GMO Funds subject to large shareholder risk, the Fund is indirectly subject to this risk.

• ***EVENT-DRIVEN RISK.*** While implementing an event-driven strategy, the Fund may purchase securities at prices below the value of the consideration GMO expects the Fund to receive upon consummation of a proposed merger, acquisition, exchange offer, tender offer or other similar transaction ("event-driven transactions"). The purchase price paid by the Fund may substantially exceed the value of the consideration received upon the closing of the transaction, resulting in losses to the Fund.

If the Fund purchases securities in anticipation of a transaction (such as a merger) that later appears likely to be delayed or unlikely to be consummated or, in fact, is not consummated or is delayed, the market price of the securities purchased by the Fund may decline sharply, resulting in losses to the Fund. The risk/reward payout of event-driven strategies (such as merger arbitrage strategies) typically is asymmetric, with the losses in failed transactions often far exceeding the gains in successful transactions. A proposed transaction can fail to be consummated for many reasons, including regulatory and antitrust restrictions, industry weakness, company specific events, failed financings and general market declines.

Event-driven strategies are subject to the risk of overall market movements, and the Fund may experience losses even if a transaction is consummated. The Fund may be unable to hedge against market fluctuations or other risks. In addition, the Fund may sell securities short when GMO expects the Fund to receive the securities upon consummation of a transaction; if the Fund does not actually receive the securities, the Fund will have an unintended "naked" short position and may be required to cover its short position at a time when the securities sold short have appreciated in value, thus resulting in a loss.

The Fund's participation in event-driven transactions could result in tax inefficiencies for taxpayers that are not exempt from taxation.

• ***NON-DIVERSIFIED FUNDS.*** The Fund is not a "diversified" investment company within the meaning of the 1940 Act. This means the Fund is allowed to invest in the securities of a relatively small number of issuers. As a result, the Fund is likely to be subject to higher credit, market and other risks than if its investments were more diversified, and poor performance by a single investment is likely to have a greater impact on its performance.

• ***NON-U.S. INVESTMENT RISK.*** To the extent the Fund invests in non-U.S. securities, it is subject to more risks than it would be if it invested only in U.S. securities. Many non-U.S. securities markets (particularly emerging markets) list securities of only a small number of companies in a small number of industries, and the market prices of securities traded on those markets often fluctuate more than those of securities traded on U.S. securities markets. In addition, issuers of non-U.S. securities (particularly those tied economically to emerging countries) often are not subject to as much regulation as U.S. issuers, and the reporting, recordkeeping, accounting, custody and auditing standards to which those issuers are subject often are not as rigorous as U.S. standards. The Public Company Accounting Oversight Board, which regulates auditors of U.S. public companies, is unable to inspect audit work papers in some non-U.S. countries. Investors in non-U.S. countries often have limited rights and few practical remedies to pursue shareholder claims, including class actions or fraud claims, and the ability of the SEC, the U.S. Department of Justice and other authorities to bring and enforce actions against non-U.S. issuers or non-U.S. persons is limited.

The Fund may be subject to non-U.S. taxation, including potentially on a retroactive basis, on (i) capital gains it realizes or dividends, interest, or other amounts it realizes or accrues in respect of non-U.S. investments; (ii) transactions in those investments; and (iii) repatriation of proceeds generated from the sale or other disposition of those investments. The Fund may seek a refund of taxes paid, but its efforts may not be successful, in which case the Fund will have incurred additional expenses for no benefit. In addition, the Fund's pursuit of a tax refund may subject it to administrative and judicial proceedings in the country where it is seeking the refund. GMO's decision to seek a refund on behalf of the Fund is in its sole discretion, and particularly in light of the cost involved, GMO may decide not to seek a refund, even if the Fund is entitled to one. The process of seeking a refund may take years, and the outcome of GMO's efforts to obtain a refund for the Fund is inherently uncertain. Accordingly, a refund is not typically reflected in the Fund's net asset value until GMO believes that the refund is collectible and free from significant contingencies. In some cases, the amount of such refunds could be material to the Fund's net asset value. If a shareholder redeems shares of the Fund before a potential refund is reflected in the Fund's net asset value, the shareholder will not realize the benefit of that refund. For information on possible special United Kingdom tax consequences of an investment in the Fund, see "Distributions and Taxes."

Investing in non-U.S. securities also exposes the Fund to the risk of nationalization, expropriation, or confiscatory taxation of assets of their issuers, government involvement in the affairs of specific companies or industries (including wholly or partially state-owned enterprises), adverse changes in investment regulations, capital requirements or exchange controls (which may include suspension of the ability to transfer currency from a country), and adverse political and diplomatic developments, including the imposition of economic sanctions.

In some non-U.S. securities markets, custody arrangements for securities provide significantly less protection than custody arrangements in U.S. securities markets, and prevailing custody and trade settlement practices (e.g., the requirement to pay for securities prior to receipt) expose the Fund to credit and other risks it does not have in the United States. Fluctuations in currency exchange rates also affect the market prices of the Fund's non-U.S. securities.

The Fund needs a license to invest directly in securities traded in many non-U.S. securities markets. These licenses are often subject to limitations, including maximum investment amounts. Once a license is obtained, the Fund's ability to continue to invest directly is subject to the risk that the license will be terminated or suspended. If a license to invest in a particular market is terminated or suspended, to obtain exposure to that market the Fund will be required to purchase American Depositary Receipts, Global Depositary Receipts, shares of other funds that are licensed to invest directly or derivative instruments. In some circumstances the receipt of a non-U.S. license by one of GMO’s clients may prevent the Fund from obtaining a similar license. In addition, the activities of a GMO client could cause the suspension or revocation of the Fund’s license.

To the extent the Fund invests a significant portion of its assets in securities of companies tied economically to emerging countries (or investmentsrelated to emerging markets), it will be subject to higher non-U.S. investment risk than Funds investing primarily in more developed non-U.S. countries (or markets). The risks of investing in those securities include: fluctuations in currency exchange rates and risk of currency devaluation and hyperinflation; risk of default (by both government and private issuers); social, economic, and political uncertainty and instability (including the risk and consequences of war); risk of nationalization, expropriation, or other confiscation of issuer assets; governmental involvement in the economy or in the affairs of specific companies or industries (including wholly or partially state-owned enterprises); less governmental supervision and regulation of securities markets and participants in those markets; risk of market closures; risk of market manipulation or fraudulent trade practices; controls on investment (including restrictions on foreign investment), capital controls and limitations on repatriation of invested capital, dividends, interest and other income and on the Fund’s ability to exchange local currencies for U.S. dollars; inability to purchase and sell investments or otherwise settle security or derivative transactions (i.e. a market freeze); lower trading volumes; unavailability of currency hedging techniques; less rigorous accounting, auditing, corporate governance, financial reporting, recordkeeping, and regulatory standards and practices; unavailability of reliable information about issuers; slower clearance and settlement; limitations on, or difficulties enforcing, legal judgments, contractual rights, or other remedies, including those available to the Fund in respect of its portfolio holdings; and significantly smaller market capitalizations of issuers. In addition, the economies of emerging countries often depend predominantly on only a few industries or revenues from particular commodities. The economies of emerging countries often are more volatile than the economies of developed countries.

MANAGEMENT OF THE FUND

GMO, 40 Rowes Wharf, Boston, Massachusetts 02110, provides management and shareholder servicing and supplemental support to the Fund and other GMO Funds (and to their respective subsidiaries, if any). GMO is a private company, founded in 1977. As of July 31, 2022, GMO managed on a worldwide basis approximately $60.18 billion.

Subject to the oversight of the Trustees, GMO establishes, implements, and modifies when it deems appropriate the investment strategies of the Fund. In addition to managing the Fund's investment portfolio and providing shareholder services and supplemental support to the Fund, GMO administers the Fund's business affairs.

Each class of shares of the Fund offered by this Prospectus pays GMO directly or indirectly a shareholder service fee for providing client services and reporting, such as performance information, client account information, personal and electronic access to Fund information, access to analysis and explanations of Fund reports, and assistance in maintaining and correcting client-related information.

GMO's Focused Equity Team is primarily responsible for the investment management of the Fund. The Focused Equity Team's investment professionals work collaboratively and often share investment insights with, and benefit from the insights of, other GMO investment teams.

As of the date of this Prospectus, the Fund had not operated a full fiscal year. The Fund pays GMO (or will pay GMO after commencement of operations), as compensation for investment management services, a management fee at an annual rate equal to 0.60% of the Fund's average daily net assets. A discussion of the basis for the Trustees' approval of the Fund's initial investment management contract will be included in the Fund's initial shareholder report for the period during which the Trustees approved that contract.

GMO has entered into personnel sharing arrangements with its wholly-owned subsidiary, GMO UK Limited ("GMO UK"). Pursuant to this arrangement, some employees of GMO UK may serve as officers and associated persons of GMO and in that capacity may provide investment management and other services to the Fund. These individuals are identified in GMO's Form ADV, a copy of which is on file with the SEC. See "Distributions and Taxes" for information regarding tax matters relating to the personnel sharing arrangements.

The following table identifies the senior members of the Focused Equity Team with primary responsibility for managing the investments of the Fund and his title and business experience during the past five years. The Fund relies on the senior member of the Focused Equity Team to directly manage, or allocate to members of the Focused Equity Team responsibility for, portions of the portfolio of the Fund, oversee the implementation of trades, review the overall composition of the Fund's portfolio, including compliance with stated investment objectives and strategies, and monitor cash. To the extent the Fund invests in an underlying Fund, the Fund relies on the senior member(s) of the underlying Fund(s) to carry out such responsibilities with respect to such underlying Fund(s).

Senior Member	Title; Business Experience During Past 5 Years
Thomas Hancock	Head, Focused Equity Team, GMO. Dr. Hancock was responsible for overseeing the portfolio management of GMO's international developed market and global equity portfolios beginning in 1998.
Hassan Chowdhry	Portfolio Manager, Focused Equity Team, GMO. Mr. Chowdhry has been responsible for providing research services for global equity portfolios at GMO since 2007.
James Mendelson	Portfolio Manager, Focused Equity Team, GMO. Mr. Mendelson has been responsible for providing research services for global equity portfolios at GMO since 2019. Prior to rejoining GMO in 2019, he worked at D.E. Shaw & Co. as an analyst.

The SAI contains information about how GMO determines the compensation of the senior members, other accounts they manage and related conflicts, and their ownership of the Fund and other GMO Funds for which they have responsibility.

Custodian, Fund Accounting Agent, and Transfer Agent

State Street Bank and Trust Company ("State Street Bank"), One Lincoln Street, Boston, Massachusetts 02111, serves as the Fund's custodian, fund accounting agent and transfer agent.

Expense Reimbursement

GMO's contractual reimbursements and fee waivers are described in the Fund's "Annual Fund Operating Expenses" table and accompanying footnotes in the Fund Summary section of this Prospectus.

Additional Information

The Trust has contractual arrangements with many service providers to the Fund. Shareholders are not parties to, or intended (or "third-party") beneficiaries of, any of those contractual arrangements, and those contractual arrangements are not intended to create in any individual shareholder or group of shareholders any right to enforce them against the service providers or to seek any remedy under them against the service providers, either directly or on behalf of the Trust.

This Prospectus provides information concerning the Trust and the Fund that prospective investors should consider in determining whether to purchase shares of the Fund. None of this Prospectus, the SAI, nor any contract that is an exhibit to the Trust's registration statement is intended to, and does not, give rise to an agreement or contract between the Trust or the Fund and any investor, or give rise to any contract or other rights in any individual shareholder, group of shareholders or other person other than any rights conferred explicitly by federal or state securities laws that those laws do not permit to be waived.

The Trust's Amended and Restated Agreement and Declaration of Trust, as amended (the "Declaration"), provides that shareholders shall not have the right to bring or enforce certain types of claims except as provided in the Trust's by-laws or expressly provided by law and not permitted to be waived. The Trust's Amended and Restated By-Laws (the "By-Laws") provide that no shareholder shall have the right to bring or maintain any court action or other proceeding asserting a derivative claim (as defined in the By-Laws) without first making a written demand on the Trustees, and that any decision by the Trustees in such matters is binding on all shareholders. The By-Laws further provide that the laws of Massachusetts shall govern the operations of the Trust and that, absent the consent of all parties, the sole and exclusive forum for many types of claims involving the Trust shall be the federal courts sitting within the City of Boston or the Business Litigation Session of the Massachusetts Superior Court. Please see the SAI for additional information regarding the provisions of the Declaration and By-Laws. Copies of the Trust's Declaration and By-Laws, as amended from time to time, have been filed with the SEC as exhibits to the Trust's registration statement, and are available on the EDGAR database on the SEC's website at www.sec.gov.

DETERMINATION OF NET ASSET VALUE

The net asset value or "NAV" of each class of shares of the Fund is determined as of the close of regular trading on the NYSE, generally at 4:00 p.m. Eastern time.

The NAV per share of a class of shares of the Fund is determined by dividing the total value of the Fund's portfolio investments and other assets, less any liabilities, allocated to that share class by the total number of outstanding shares of that class. NAV is not determined (and accordingly, transactions in shares of the Fund are not processed) on any day when the NYSE is closed for business and on days when markets in which the Fund has significant investments are closed for business. In addition, to the extent the Fund holds portfolio securities listed on exchanges (e.g., non-U.S. exchanges) that are open for trading on days when the Fund's NAV is not determined (e.g., a U.S. holiday on which the NYSE is closed for business), the net value of the Fund's assets may change significantly on days when shares cannot be redeemed.

The Fund may elect not to determine NAV on days when none of its shares are tendered for redemption and it accepts no orders to purchase its shares.

The value of the Fund's investments is generally determined as follows (also, see discussion in "'Fair Value' pricing" below):

Exchange-traded securities (other than exchange-traded options) for which market quotations are readily available:

- Last sale price or
- Official closing price or
- Most recent quoted price published by the exchange (if no reported last sale or official closing price) or
- Quoted price provided by a pricing source (in the event GMO deems the private market to be a more reliable indicator of market value than the exchange)

Exchange-traded options:

- Exchange-traded options are valued at the last sale price, provided that price is between the closing bid and ask prices. If the last sale price is not within this range, then they will be valued at the closing bid price for long positions and the closing ask price for short positions

Cleared derivatives:

- Price quoted (which may be based on a model) by the relevant clearing house (if an updated quote for a cleared derivative is not available when the Fund calculates its NAV, the derivative will generally be valued using an industry standard model, which may differ from the model used by the relevant clearing house)

OTC derivatives:

- Price generally determined by an industry standard model

Unlisted non-fixed income securities for which market quotations are readily available:

- Most recent quoted price

Fixed income securities (includes bonds, loans, loan participations, asset-backed securities, and other structured notes):

- Most recent price supplied by a pricing source determined by GMO (if a reliable updated price for a fixed income security is not available when the Fund calculates its NAV, the Fund will generally use the most recent reliable price to value that security)

Note: Reliable prices, including reliable quoted prices, may not always be available. When they are not available, the Fund may use alternative valuation methodologies (e.g., valuing the relevant assets at "fair value" as described below).

Shares of other GMO Funds and other open-end registered investment companies:

- Most recent NAV

"Quoted price" typically means the bid price for securities held long and the ask price for securities sold short. If a market quotation for a security does not involve a bid or an ask, the "quoted price" may be the price provided by a market participant or other third-party pricing source in accordance with the market practice for that security. If an updated quoted price for a security is not available when the Fund calculates its NAV, the Fund will generally use the last quoted price so long as GMO believes that the quoted price continues to represent that security's fair value.

In the case of derivatives, prices determined by a model may reflect an estimate of the average of bid and ask prices, regardless of whether the Fund has a long position or a short position.

The prices of non-U.S. securities quoted in foreign currencies, foreign currency balances, and the value of non-U.S. forward currency contracts are typically translated into U.S. dollars at the close of regular trading on the NYSE, generally at 4:00 p.m. Eastern time, at then current exchange rates or at such other rates as the Trustees or persons acting at their direction may determine in computing NAV.

GMO evaluates pricing sources on an ongoing basis and may change a pricing source at any time. GMO monitors erratic or unusual movements (including unusual inactivity) in the prices supplied for a security and has discretion to override a price supplied by a source (e.g., by taking a price supplied by another source) when it believes that the price supplied is not reliable. Alternative pricing sources are often but not always available for securities held by the Fund.

"Fair Value" pricing:

For all assets and securities, including derivatives, for which market quotations are not readily available or for which circumstances make an existing valuation methodology or procedure unreliable, the Fund's investments are valued at "fair value," as determined in good faith by the Trustees or persons acting at their direction.

With respect to the Fund's use of "fair value" pricing, you should note the following:

- In some cases, a significant percentage of the Fund's assets may be "fair valued." Factors that may be considered in determining "fair value" include, among others, the value of other financial instruments traded on other markets, trading volumes, changes in interest rates, observations from financial institutions, significant events (which may include changes in the value of U.S. securities or securities indices) that occur after the close of the relevant market and before the Fund's NAV is calculated, other news events, and significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). Because of the uncertainty inherent in fair value pricing, the price determined for a particular security may be materially different from the value realized upon its sale.
- The valuation methodologies described above are modified for equities that trade in non-U.S. securities markets that close before the close of the NYSE due to time zone differences, including the value of equities that underlie futures, options and other derivatives (to the extent the market for those derivatives closes before the close of the NYSE). In those cases, the price will generally be adjusted, to the extent practicable and available, based on inputs from an independent pricing service approved by the Trustees that are intended to reflect valuation changes through the NYSE close.
- The Fund's use of fair value pricing may cause the Fund's returns to differ from those of its benchmark or other comparative index or indices more than would otherwise be the case. For example, the Fund may fair value its international equity holdings to reflect significant events that occur after the close of the relevant market and before the time the Fund's NAV is calculated. In these cases, the benchmark or index may use the local market closing price, while the Fund uses an adjusted "fair value" price.

Rule 2a-5 under the 1940 Act establishes an updated regulatory framework for registered investment company valuation practices. The Fund's compliance with Rule 2a-5 may result in a higher percentage of the Fund's securities being subject to fair value pricing.

NAME POLICY

To comply with SEC rules regarding the use of descriptive words in a fund's name, the Fund has adopted a policy (which applies at the time of the Fund's investment, unless stated otherwise) of investing at least 80% of the value of its net assets plus the amount of any borrowings made for investment purposes in specific types of investments, industries, countries or geographic regions (the "Name Policy"). This Name Policy is described in the "Principal investment strategies" section of the Fund Summary.

The Fund will not change its Name Policy without providing its shareholders at least 60 days' prior written notice. When used in connection with the Fund's Name Policy, "assets" include the Fund's net assets plus any borrowings made for investment purposes. GMO relies on publicly available information and third-party data to monitor compliance with the Name Policy. If that information is inaccurate or incomplete, GMO's ability to monitor compliance with the Fund's Name Policy would be impaired.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund has established a policy with respect to disclosure of its portfolio holdings. That policy is described in the SAI. The Fund's portfolio holdings will be available quarterly on the SEC's website when the Fund files a Form N-CSR (annual/semiannual report) or a publicly available Form N-PORT (monthly schedule of portfolio holdings) or such other forms as required by the 1940 Act.

The Fund or GMO may suspend the posting of portfolio holdings and the Fund may modify the disclosure policy, without notice to shareholders. Once posted, the Fund's portfolio holdings typically will remain available on the website at least until the Fund files a Form N-CSR (annual/semiannual report) or Form N-PORT for the last month of the Fund's first or third fiscal quarters with the SEC for the period that includes the date as of which the website information is current.

HOW TO PURCHASE SHARES

Under ordinary circumstances, you may purchase the Fund's shares directly from the Trust on days when the NYSE is open for business. In addition, some brokers and agents are authorized to accept purchase and redemption orders on the Fund's behalf. These brokers and agents may charge transaction fees and impose restrictions on purchases of Fund shares through them. Retirement plan participants and other investors purchasing a Fund's shares through a financial intermediary may establish an account and add shares of a Fund to an account by contacting the plan administrator or other financial intermediaries designated by the Fund or the plan administrator. The plan administrator or designated financial intermediaries will conduct the transaction or provide investors purchasing shares through them with the means to conduct the transaction themselves. For instructions on purchasing shares, call the Trust at 1-617-346-7646, send an email to SHS@GMO.com, or contact your broker or agent.

The Trust will not accept a purchase order until it has received a GMO Trust Application and any other required documentation deemed to be in good order by the Trust or its agent. In addition, the Trust will typically not accept a purchase order unless an Internal Revenue Service ("IRS") Form W-9 (for U.S. shareholders) or the appropriate IRS Form W-8 (for non-U.S. shareholders) with a correct taxpayer identification number (if required) is on file with, and that W-9 or W-8 is deemed to be in good order by, the Trust's withholding agent, State Street Bank and Trust Company. The Trust, its agent or a financial intermediary may require additional tax-related certifications, information or other documentation from you in order to comply with applicable U.S. federal reporting and withholding tax provisions, including the Foreign Account Tax Compliance Act. If you do not provide and maintain such IRS forms and other certifications, information, or necessary documentation, you may be subject to withholding taxes on distributions or proceeds received upon the sale, exchange or redemption of your Fund shares. Neither the Fund nor GMO will be responsible or liable for any amounts subject to tax withholding. For more information on these rules, see "Taxes" in the SAI. Please consult your tax adviser to ensure all tax forms provided to the Trust or its agent are completed properly and maintained, as required, in good order.

To help the U.S. government fight the funding of terrorism and money laundering activities, federal law requires the Trust to verify identifying information provided by each investor in its GMO Trust Application, and the Trust may require further identifying documentation. The Trust also must maintain and update identifying information and conduct monitoring to identify and report suspicious transactions. If the Trust is unable to verify the information shortly after your account is opened or within a reasonable amount of time after a request for updated information, the account may be closed and your shares redeemed at their net asset value at the time of the redemption.

GMO and/or its agents have the right to decide when a completed form is in good order.

Purchase Policies. You must submit a purchase order in good order to the Trust or its agent to avoid its being rejected. Investors who have entered into agreements with the Trust may purchase shares through the National Securities Clearing Corporation ("NSCC"). In general, a purchase order sent outside of the NSCC from a record holder of the Fund's shares is in "good order" if it includes:

- The name of the Fund being purchased;
- The U.S. dollar amount of the shares to be purchased;
- The date on which the purchase is to be made (subject to receipt prior to the close of regular trading on the NYSE (generally 4:00 p.m. Eastern time) (the "Cut-off Time") on that date);
- The name and/or the account number (if any) set forth with sufficient clarity to avoid ambiguity; and
- The signature of an authorized signatory as identified in the GMO Trust Application or subsequent authorized signers list.

For retirement accounts, additional information regarding contributions typically is required.

If payment in full (in U.S. funds paid by check or wire or, when approved, by securities) is not received prior to the Cut-off Time on the intended purchase date, the order may be rejected or deferred until payment in full is received unless prior arrangements for later payment have been approved by GMO. For investors in some non-U.S. jurisdictions, payment in full may be required to be sent to the Trust or its agent through a duly authorized local paying agent.

If a purchase order is received in good order by the Trust or its agent, together with payment in full, prior to the Cut-off Time, the purchase price for the Fund shares to be purchased will be the net asset value per share of the class of Fund shares being purchased determined on that day. If that order is received after the Cut-off Time, the purchase price for the Fund shares to be purchased will be the net asset value per share of the class of Fund shares to be purchased determined on the next business day that the NYSE is open. Purchase orders received on days when the Fund does not determine its NAV will not be accepted until the next day on which the Fund's NAV is determined. Purchase orders that are received on days when either the NYSE is closed will not be accepted until the next day on which the NYSE is open (plus any applicable purchase premium), and the purchase price will be the net asset value per share of the class of Fund shares to be purchased determined on that day (plus any applicable purchase premium). For plan participants or other investors submitting their purchase orders through a plan administrator or other financial intermediary, the specific requirements for good order depend on the type of account and transaction and the method of purchase; please contact your financial intermediary for more information. In the event of a disaster affecting Boston, Massachusetts, you should contact GMO to confirm that your purchase order was received and is in good order.

The Trust and its agents reserve the right to reject any purchase order. In addition, without notice, the Fund in its sole discretion may temporarily or permanently suspend sales of its shares to new investors, existing shareholders, or both.

Minimum initial investment amounts (by class) are set forth in the tables on page 27 of this Prospectus. The Trust may increase minimum initial investment amounts at any time and may waive initial minimums for some investors.

Other GMO Funds advised or sub-advised by GMO and offered pursuant to separate prospectuses or private placement memoranda ("Top Funds") may purchase shares of the Fund or another GMO Fund after the Cut-off Time and receive the current day's price if the following conditions are met: (i) the Top Fund received a purchase order in good order prior to the Cut-off Time on that day; and (ii) if more than one GMO Fund is being purchased, the purchase(s) by the Top Fund of shares of the other GMO Funds are executed pursuant to an allocation predetermined by GMO prior to that day's Cut-off Time.

Submitting Your Purchase Order Form. Investors who have entered into agreements with the Trust can submit purchase orders through the NSCC. Shareholders of record also can submit completed purchase order forms by mail, facsimile, or email (provided that a PDF copy of the completed purchase order form is attached to the email) or other form of communication pre-approved by Shareholder Services to the Trust at:

GMO Trust
c/o Grantham, Mayo, Van Otterloo & Co. LLC
40 Rowes Wharf
Boston, Massachusetts 02110
Facsimile: 1-617-439-4192
Attention: Shareholder Services
Email: clientorder@gmo.com

For purchase orders outside the NSCC, please call the Trust at 1-617-346-7646 or send an email to SHS@GMO.com to **confirm that GMO received your purchase order form, determined it was in good order and accepted it**. Do not send cash, checks, or securities directly to the Trust. A purchase order submitted by mail, facsimile or email is "received" by the Trust when it is actually received by the Trust or its agent. The Trust is not responsible for purchase orders submitted but not actually received by the Trust or its agent for any reason, including purchase orders not received on account of a computer virus or other third-party interference (such as delays or errors by local paying agents).

Funding Your Investment. Shareholders of record may purchase shares outside the NSCC:

- with cash (by means of wire transfer or check or other form of payment preapproved by GMO Shareholder Services)

  ► ***By wire.*** Instruct your bank to wire your investment to:

State Street Bank and Trust Company, North Quincy, Massachusetts
ABA#: 011000028
Attn: Transfer Agent
Credit: GMO Trust Deposit Account 00330902
Further credit: GMO Fund/Account name and number

  ► ***By check.*** All checks must be made payable to the Fund or to GMO Trust. The Trust will not accept checks payable to a third party that have been endorsed by the payee to the Trust. Mail checks to:

By U.S. Postal Service:
State Street Bank and Trust Company
Attn: GMO Transfer Agent
Box 5493
Boston, Massachusetts 02206

By Overnight Courier:
State Street Bank and Trust Company
Attn: GMO Transfer Agent
1 Heritage Drive
North Quincy, Massachusetts 02171

- in exchange for assets other than cash acceptable to GMO
  - assets must be approved by GMO prior to transfer to the Fund
  - assets will be valued as set forth under "Determination of Net Asset Value"
  - you may bear any stamp or other transaction-based taxes or other costs arising in connection with the transfer of assets to the Fund.
- by a combination of cash and other assets

The Trust is not responsible for cash (including wire transfers and checks) or other assets delivered in connection with a purchase of Fund shares until they are actually received by the Fund. A purchaser will not earn interest on any funds prior to their investment in the Fund. A purchase may be made in U.S. dollars or, in GMO's sole discretion, in another currency deemed acceptable by GMO. Non-U.S. dollar currencies used to purchase Fund shares will be valued in accordance with the Trust's valuation procedures.

Automatic Investment Plan. If your plan administrator or financial intermediary has provided you with a means to establish an "automatic investment plan," you may instruct your plan administrator or financial intermediary to automatically invest in a Fund. Contact the plan administrator or designated financial intermediary for instructions on how to establish an "automatic investment plan."

Frequent Trading Activity. As a matter of policy, the Trust will not honor requests for purchases or exchanges by shareholders identified as engaging in frequent trading strategies, including market timing, that GMO determines could be harmful to the Fund and its shareholders. Frequent trading strategies generally are strategies that involve repeated exchanges or purchases and redemptions (or redemptions and purchases) within a short period of time. Frequent trading strategies can be disruptive to the efficient management of the Fund, materially increase portfolio transaction costs and taxes, dilute the value of shares held by long-term investors, or otherwise be harmful to the Fund and its shareholders.

The Trustees have adopted procedures designed to detect and prevent frequent trading activity that could be harmful to the Fund and its shareholders (the "Procedures"). The Procedures include the fair valuation of non-U.S. securities, periodic surveillance of trading in shareholder accounts and inquiry as to the nature of trading activity. If GMO determines that an account is engaging in frequent trading that has the potential to be harmful to the Fund or its shareholders, the Procedures permit GMO to adopt various preventative measures, including suspension of the account's exchange and purchase privileges. There is no assurance that the Procedures will be effective in all instances. The Trust reserves the right to reject any order or terminate the sale of Fund shares at any time.

Not all of the Procedures apply to the Fund or the Fund's trading activity. Application of the Procedures is dependent upon: (1) whether the Fund imposes purchase premiums or redemption fees or both, (2) the nature of the Fund's investment program, including its typical cash positions and whether it invests in non-U.S. securities, and (3) whether GMO has investment discretion over the purchase, exchange, or redemption activity. Certain GMO Funds and other funds and accounts over which GMO has investment discretion invest in other GMO Funds and are not subject to restrictions on how often they may purchase those GMO Funds' shares. Although GMO may not take affirmative steps to detect frequent trading for some GMO Funds, GMO will not honor requests for purchases or exchanges by shareholders identified as engaging in frequent trading strategies that GMO determines could be harmful to GMO Funds involved and their shareholders.

Shares of the Fund are distributed through financial intermediaries that submit aggregate or net purchase and redemption orders through omnibus accounts. These omnibus accounts often by nature engage in frequent transactions due to the daily trading activity of their investors. Because transactions by omnibus accounts often take place on a net basis, GMO's ability to detect and prevent the implementation of frequent trading strategies within those accounts is limited. GMO ordinarily seeks the agreement of a financial intermediary to monitor and restrict frequent trading in accordance with the Procedures. In addition, in lieu of the Procedures, the Fund may rely on a financial intermediary to monitor and restrict frequent trading in accordance with the intermediary's policies and procedures if GMO believes that the financial intermediary's policies and procedures are reasonably designed to detect and prevent frequent trading activity that could be harmful to the Fund and its shareholders. Shareholders who own Fund shares through an intermediary should consult with that intermediary regarding its frequent trading policies and procedures.

HOW TO REDEEM SHARES

Under ordinary circumstances, you may redeem the Fund's shares on days when the NYSE is open for business. Redemption orders should be submitted directly to the Trust unless the Fund shares to be redeemed were purchased through a broker or agent, in which case the redemption order should be submitted to that broker or agent. The broker or agent may charge transaction fees and impose restrictions on redemptions of Fund shares through it. Retirement plan participants and other investors holding a Fund's shares through a financial intermediary may sell shares of the Fund by contacting the plan administrator or other financial intermediaries designated by the Fund or the plan administrator. The plan administrator or designated financial intermediaries will conduct the transaction or provide investors purchasing shares through them with the means to conduct the transaction themselves. For instructions on redeeming shares directly, call the Trust at 1-617-346-7646 or send an email to SHS@GMO.com.

Redemption Policies. You must submit a redemption order in good order to avoid having it rejected by the Trust or its agent. Investors who have entered into agreements with the Trust may redeem shares through the NSCC. In general, a redemption order sent outside of the NSCC from a record holder of the Fund's shares is in "good order" if it includes:

- The name of the Fund being redeemed;
- The number of shares or the dollar amount of the shares to be redeemed or, in the case of a GMO Fund with a redemption fee, the dollar amount that the investor wants to receive;
- The date on which the redemption is to be made (subject to receipt prior to the Cut-off Time on that date);
- The name or the account number set forth with sufficient clarity to avoid ambiguity;
- The signature of an authorized signatory as identified in the GMO Trust Application or subsequent authorized signers list; and
- Wire instructions or registration address that match the wire instructions or registration address (as applicable) on file at GMO or confirmation from an authorized signatory that the wire instructions are valid.

For retirement accounts, additional information regarding distributions typically is required.

If a redemption order is received in good order by the Trust or its agent prior to the Cut-off Time, the redemption price for the Fund shares being redeemed will be the net asset value per share of the class of Fund shares being redeemed determined on that day (less any applicable redemption fee). Redemption orders received on days when the Fund does not determine its NAV will not be accepted until the next day on which the Fund's NAV is determined. Redemption orders in good order that are received on days when the NYSE is closed will not be accepted until the next day on which the NYSE is open for business, and the redemption price will be the net asset value per share of the class of Fund shares being redeemed determined that day. If a redemption order is received after the Cut-off Time, the redemption price for the Fund shares to be redeemed will be the net asset value per share determined on the next business day that the NYSE is open (less any applicable redemption fee), unless you or another authorized person on your account has instructed GMO Shareholder Services in writing to defer the redemption to another day. You or another authorized person on your account may revoke your redemption order in writing at any time before the Cut-off Time on the redemption date. Redemption fees, if any, apply to all shares of the Fund regardless of how the shares were acquired (e.g., by direct purchase or by reinvestment of dividends or other distributions). For plan participants and other investors submitting their redemption orders through a plan administrator or other financial intermediary, the specific requirements for good order depend on the type of account and transaction and the method of redemption; please contact your financial intermediary for more information. In the event of a disaster affecting Boston, Massachusetts, you should contact GMO to confirm that your redemption order was received and is in good order.

Failure to provide the Trust or its agent with a properly authorized redemption order or otherwise satisfy the Trust as to the validity of any change to the wire instructions or registration address may result in a delay in processing a redemption order, delay in remittance of redemption proceeds, or a rejection of the redemption order.

In GMO's sole discretion, the Fund may pay redemption proceeds wholly or partly in assets (selected by GMO) other than cash. In particular, if market conditions deteriorate and GMO believes the Fund's redemption fee (if any) will not fairly compensate the Fund for transaction costs, the Fund may limit cash redemptions and use portfolio assets other than cash to pay the redemption price to protect the interests of all Fund shareholders. Redemptions paid with portfolio assets other than cash may require shareholders to enter into new custodial arrangements if they do not have accounts available for holding securities and other assets directly.

If a redemption is paid in cash:

- payment will generally be made by means of a federal funds transfer to the bank account designated in the relevant GMO Trust Application
    - designation of one or more additional bank accounts or any change in the bank accounts originally designated in the GMO Trust Application must be made in a recordable format by an authorized signatory according to the procedures in the GMO Trust Redemption Order Form

- ► if an ambiguity in wire instructions cannot be resolved in a timely manner, GMO may elect to remit redemption proceeds by check

- upon request, payment will be made by check mailed to the registered address (unless another address is specified according to the procedures in the GMO Trust Redemption Order Form)
- In GMO's sole discretion, a redemption may be paid in whole or in part in a currency other than U.S. dollars when the redeeming shareholder has indicated a willingness to receive the redemption proceeds in that currency. Non-U.S. dollar currencies used to pay redemption proceeds will be valued in accordance with the Trust's valuation procedures.

If a redemption is paid with assets other than cash, you should note that:

- the assets will be valued as set forth under "Determination of Net Asset Value";
- the assets will be selected by GMO in light of the Fund's objective and other practical considerations and may not represent a pro rata distribution of assets held in the Fund's portfolio;
- you will likely incur brokerage charges on the sale of assets such as securities;
- redemptions paid in assets other than cash generally are treated the same as redemptions paid in cash from a U.S. federal tax standpoint;
- you may bear any stamp or other transaction-based taxes or other costs arising in connection with the Fund's transfer of assets other than cash, such as securities, to you; and
- the assets will be transferred and delivered by the Trust as directed in writing by an authorized person on your account.

The Fund may suspend the right of redemption and may postpone payment for more than seven days:

- during periods when the NYSE is closed for business other than customary weekend or holiday closings;
- during periods when trading on the NYSE is restricted;
- during an emergency that makes it impracticable for the Fund to dispose of its securities or to fairly determine its net asset value; or
- during any other period permitted by the SEC.

Redemption proceeds for investors who invest through eligible retirement plans or other financial intermediaries will be sent directly to the plan administrator or other financial intermediary. The Fund typically expects to make a redemption payment on the first business day following the day on which a redemption request is received in good order prior to the Cut-off Time, regardless of the method used to make the payment (e.g., by check, wire, or automated clearing house). The Fund, however, may take up to seven days to make a redemption payment. The Fund may make redemption payments to shareholders at different times and in different forms (e.g., cash or other assets) even though their redemption requests were received on the same day.

Under normal conditions, the Fund typically expects to use cash for redemption payments. The Fund, however, has the right to use assets other than cash for redemption payments and is more likely to do so during times of deteriorating market conditions or market stress, when GMO believes the Fund's redemption fee (if any) will not fairly compensate the Fund for transaction costs or when a significant portion of the Fund's portfolio is comprised of less-liquid securities. In those circumstances, the Fund may determine not to accept redemptions through the NSCC, in which case financial intermediaries would need to submit any redemptions directly to the Fund. In cases where the Fund uses assets other than cash for redemption payments, the value of the non-cash assets is determined as of the redemption date; consequently, as a result of changes in market prices, the value of those assets when received by the redeeming shareholder may be lower or higher than their value as of the redemption date. The Fund is limited in its ability to use assets other than cash to meet redemption requests due to restrictions on ownership of its portfolio assets.

The Trust will not process what it reasonably believes are duplicate redemption requests.

The Trust will not pay redemption proceeds to third parties and does not offer check-writing privileges.

The Trust typically will not pay redemption proceeds to multiple bank accounts.

For investors in some non-U.S. jurisdictions, redemption proceeds may be required to be sent by the Trust to the redeeming shareholder through a duly authorized local paying agent.

Redemption requests may be revoked prior to the Cut-off Time on the redemption date.

Pursuant to the Trust's Amended and Restated Agreement and Declaration of Trust, the Trust has the unilateral right to redeem Fund shares held by a shareholder at any time (i) if at that time the shareholder owns shares of the Fund or a class of shares of the Fund having an aggregate net asset value of less than a minimum amount determined from time to time by the Trustees; (ii) to the extent the shareholder owns shares of the Fund or a class of shares of the Fund equal to or in excess of a maximum percentage of the outstanding shares of the Fund or the class of shares of the Fund determined from time to time by the Trustees; or (iii) as a means of satisfying legal obligations of the Trust in respect of a withholding tax and related interest, penalty and similar charges, including, but not limited to, obligations occasioned by the failure of a shareholder to provide any documentation requested by the Trust or its agent. The Trustees have authorized GMO in its sole discretion to redeem shares to prevent a shareholder from becoming an affiliated person of the Fund.

In connection with the Trust's anti-money laundering efforts, the Trust also may redeem Fund shares at their net asset value and close a shareholder's account if a shareholder fails to timely provide the Trust with any requested documentation or information, the Trust is unable to verify that documentation or information within a reasonable amount of time, or if the Trust is otherwise required by law to redeem Fund shares.

Top Funds may redeem shares of the Fund and other GMO Funds after the Cut-off Time and receive the current day's price if the following conditions are met: (i) the Top Fund received a redemption order prior to the Cut-off Time on that day; and (ii) the redemption of the shares of the other GMO Funds is executed pursuant to an allocation predetermined by GMO prior to that day's Cut-off Time.

Automatic Withdrawal Plan. If your plan administrator or financial intermediary has provided you with a means to establish an "automatic withdrawal plan," you may elect to receive (or designate someone else to receive) regular (monthly, quarterly, semiannually, annually) periodic payments through an automatic redemption of shares of the Fund. Contact the plan administrator or designated financial intermediary for instructions on how to establish an "automatic withdrawal plan."

Cost Basis Reporting. If your account is subject to U.S. federal tax reporting or you otherwise have informed the Fund that you would like to receive "informational only" U.S. federal tax reporting, the Fund will provide you with cost basis and other related tax information about those shares. Shareholders are responsible for keeping their own records for determining their tax basis of shares that are not subject to the cost basis reporting requirement. Please consult the Trust for more information regarding methods for cost basis reporting, including the Fund's default method, and for how to select or change a method. You should consult your tax adviser to determine which cost basis method made available by the Fund is most appropriate for you.

If you purchased shares of the Fund through an intermediary, the intermediary and not the Fund ordinarily is responsible for providing the cost basis and related reporting described above. Shareholders purchasing Fund shares through an intermediary should contact the intermediary for more information about how to select a cost basis accounting method for those shares, as well as for information about the intermediary's default method.

Submitting Your Redemption Order. Shareholders that have entered into agreements with the Trust may redeem shares through the NSCC. Redemption orders can be submitted by record holders of Fund shares by **mail, facsimile,** or **email** or other form of communication pre-approved by Shareholder Services to the Trust at the address/facsimile number/email address set forth under "How to Purchase Shares — Submitting Your Purchase Order Form." Redemption orders are "received" by the Trust when they are actually received by the Trust or its agent. The Trust is not responsible for redemption orders submitted but not actually received by the Trust or its agent for any reason, including redemption orders not received on account of a computer virus or other third-party interference (such as delays or errors by local paying agents). For redemption orders outside the NSCC, call the Trust at 1-617-346-7646 or send an email to SHS@GMO.com to **confirm that GMO received your redemption order, determined it was in good order, and accepted it**.

MULTIPLE CLASSES AND ELIGIBILITY

The Fund offers multiple classes of shares. The economic differences among the various classes of shares are in their shareholder service fee and, in the case of Class I shares, payments for sub-transfer agency, recordkeeping and other administrative services provided by financial intermediaries in respect of retirement plan participants and other investors who invest in Class I shares through third-party platforms or other intermediaries. Differences in the shareholder service fee among applicable classes of shares generally reflect the fact that, as the size of an investor relationship increases, the cost to service that investor decreases as a percentage of the investor's assets managed by GMO and its affiliates. Thus, the shareholder service fee generally is lower for classes requiring higher minimum investments.

Except for Class R6 shares and Class I shares of the Fund, an investor's eligibility to purchase Fund shares or different classes of Fund shares depends on the investor's meeting either (i) the "Minimum Total Fund Investment," which involves only an investor's total investment in the Fund, or (ii) the "Minimum Total GMO Investment," both of which are set forth in the table below. Each of Class R6 shares and Class I shares are available for purchase by (i) eligible retirement plans (e.g., 401(k) plans, 457 plans, employer-sponsored 403(b) plans, profit-sharing and money purchase pension plans, defined benefit plans and non-qualified deferred compensation plans), (ii) section 529 plans and other omnibus accounts, and (iii) any other investors whose accounts are maintained by the Fund through third-party platforms or intermediaries (typically, investors that trade through financial intermediaries that have entered into agreements with the Trust to purchase and redeem shares through the NSCC). Purchases of Class R6 shares or Class I shares are not subject to any minimum dollar amount. For investors owning shares of the Fund, purchases of additional shares of the Fund are not subject to any minimum dollar amount.

Minimum Investment Criteria for Class Eligibility

	Minimum Total Fund Investment	Minimum Total GMO Investment	Shareholder Service Fee (as a % of average daily net assets)
Class III Shares	N/A	$5 million	0.15%
Class IV Shares	$125 million	$250 million	0.10%
Class V Shares	$250 million	$500 million	0.085%
Class VI Shares	$300 million	$750 million	0.055%

An investor's Minimum Total GMO Investment equals GMO's estimate of the market value of all the investor's assets managed by GMO and its affiliates (i) at the time of the investor's initial investment, (ii) at the close of business on the last business day of each calendar quarter, or (iii) at other times as determined by GMO (including those described below under "Conversions between Classes") (each, a "Determination Date"). When purchasing shares of the Fund, investors should consult with GMO to determine the applicable Determination Date and the share class for which they are eligible.

Upon request GMO may permit an investor to undertake in writing to meet the applicable Minimum Total Fund Investment or Minimum Total GMO Investment over a specified period (a "Commitment Letter").

You should note:

- No minimum additional investment is required to purchase additional shares of the Fund or any class of shares of the Fund that you currently hold.
- GMO makes all determinations as to which investor accounts should be aggregated for purposes of determining eligibility for the various classes of shares offered by the Fund. When making decisions regarding whether accounts should be aggregated because they are part of a larger client relationship, GMO considers several factors including, but not limited to, whether: the accounts are for one or more subsidiaries of the same parent company; the accounts have the same beneficial owner regardless of the legal form of ownership; the registered owner has full discretion over all underlying assets; the investment mandate is the same or substantially similar across the relationship; the asset allocation strategies are substantially similar across the relationship; GMO reports to a single investment board or committee; GMO services the relationship through a single GMO relationship manager; the relationships have substantially similar reporting requirements; and the relationship can be serviced from a single geographic location.
- Eligibility requirements for each class of shares of the Fund are subject to change.
- GMO may, in its sole discretion, waive eligibility requirements. GMO typically waives eligibility requirements for (i) GMO Funds and other accounts over which GMO has investment discretion that invest in other GMO Funds, (ii) GMO directors, partners, employees, agents, and their family members, (iii) the Trustees of the Trust, (iv) Trustees of other mutual funds sponsored by GMO, and (v) clients of an investment consultant or similar investment professional with a substantial ongoing business relationship with GMO. GMO may discontinue such waivers at any time without notice.

Conversions between Classes

Class R6 shares and Class I shares do not currently have conversion rights.

As described in “Additional Summary Information About the Fund,” in determining whether an investor is eligible to purchase Fund shares of Class III, IV, V, or VI, GMO considers each investor’s Minimum Total Fund Investment and Minimum Total GMO Investment on each Determination Date. Based on this determination, and subject to the following, each investor’s shares of the Fund eligible for conversion will be converted to the class of shares with the lowest shareholder service fee for which the investor satisfies all minimum investment requirements (or, to the extent the investor already holds shares of that class, the investor will remain in that class). Except as noted below, with respect to the Fund:

- If an investor satisfies all minimum investment requirements for a class of shares then being offered that bears a lower shareholder service fee than the class held by the investor on the Determination Date (generally at the close of business on the last business day of each calendar quarter), the investor’s shares eligible for conversion generally will be automatically converted to that class within approximately 45 calendar days following the Determination Date on a date selected by GMO.
- If an investor no longer satisfies all minimum investment requirements (or GMO discontinues a waiver of the eligibility requirements) for the class of shares of the Fund held by the investor on the last Determination Date of a calendar year (generally at the close of business on the last business day of the calendar year), the Fund generally will convert the investor’s shares to the class it is then offering bearing the lowest shareholder service fee for which the investor satisfies all minimum investment requirements (which class typically will bear a higher shareholder service fee than the class then held by the investor). For purposes of conversions between classes, a class of shares that has no shares outstanding as of the relevant Determination Date will not be considered a class of shares then being offered by the Fund. If an investor no longer satisfies all minimum investment requirements for any class of shares of the Fund being offered as of the last Determination Date of a calendar year, the Fund will convert the investor’s shares to the class of shares of the Fund then being offered bearing the highest shareholder service fee. Notwithstanding the foregoing, an investor’s shares will not be converted to a class of shares bearing a higher shareholder service fee without at least 15 calendar days’ prior notice, and if the investor makes an additional investment or the value of the investor’s shares otherwise increases prior to the end of the notice period so as to satisfy all minimum investment requirements for the investor’s current class of shares, the investor will remain in the class of shares then held by the investor. Solely for the purpose of determining whether an investor has satisfied the minimum investment requirements for an investor’s current class of shares, the value of the investor’s shares is considered to be the higher of (i) the value of the investor’s shares on the relevant Determination Date, (ii) the value of the investor’s shares on the date that GMO reassesses the value of the investor’s account for the purpose of sending notice of a proposed conversion, or (iii) the value of the investor’s shares immediately prior to the date when the conversion would take place. If the investor is not able to make an additional investment in the Fund solely because the Fund is closed to new investment or is capacity constrained, the class of shares then held by the investor will not be converted unless GMO approves reopening the Fund to permit the investor to make an additional investment. The conversion of an investor’s shares to a class of shares bearing a higher shareholder service fee generally will occur within 60 calendar days following the last Determination Date of a calendar year or, in the case of conversion due to an abusive pattern of investments or redemptions (see next paragraph), on any other day GMO determines.

The Fund may at any time without notice convert an investor’s shares to the class it is then offering bearing the lowest shareholder service fee for which the investor satisfied all minimum investment requirements (or, if the Fund has no such class, the class of the Fund bearing the highest shareholder service fee) if the investor no longer satisfies all minimum investment requirements for the class of shares held by the investor and: (i) GMO believes the investor has engaged in an abusive pattern of investments or redemptions (e.g., a large investment just before a Determination Date and a redemption immediately after the Determination Date), (ii) the investor fails to meet the applicable Minimum Total Fund Investment or Minimum Total GMO Investment by the time specified in the investor’s Commitment Letter, or (iii) the total expense ratio borne by the investor immediately following the conversion is equal to or less than the total expense ratio borne by the investor immediately before the conversion (after giving effect to any applicable fee and expense waivers or reimbursements).

For U.S. federal income tax purposes, the conversion of an investor’s investment from one class of shares of the Fund to another class of shares of the same Fund generally should not result in the recognition of gain or loss. Thus, in general, the investor’s tax basis in the new class of shares immediately after the conversion should equal the investor’s tax basis in the converted shares immediately before the conversion, and the holding period of the new class of shares should include the holding period of the converted shares.

Sub-Transfer Agent/Recordkeeping Payments

Class III, IV, V, VI and Class R6 Shares

Class III, IV, V, VI and R6 shares are not subject to payments to third parties for sub-transfer agent, recordkeeping and other administrative services. GMO may, on a case-by-case basis, make payments for sub-transfer agent, recordkeeping and other administrative services provided by financial intermediaries for the benefit of shareholders of these classes. Any such payments are made by GMO out of its own resources and are not an additional charge to the Fund or the holders of Class III, IV, V, VI or Class R6 shares. These payments create a conflict of interest by influencing a financial intermediary to recommend the Fund over another investment.

Class I Shares

Class I shares are subject to payments for sub-transfer agency, recordkeeping and other administrative services provided by financial intermediaries for the benefit of holders of Class I shares through an account maintained by a third-party platform or intermediary. These services are not primarily intended to result in the sale of Fund shares but instead to provide ongoing services with respect to holders of Class I shares through a third-party platform or intermediary. Because payments for sub-transfer agency, recordkeeping and other administrative services are paid out of a Fund's Class I assets on an ongoing basis, over time they will increase the cost of an investment in Class I shares. In addition, GMO may, on a case-by-case basis, make payments for sub-transfer agency, recordkeeping and other administrative services provided by financial intermediaries for the benefit of shareholders of Class I shares. Any such payments will be made by GMO out of its own resources and are not an additional charge to the Fund or the holders of Class I shares. Any such payments will create a conflict of interest by influencing a financial intermediary to recommend the Fund over another investment.

DISTRIBUTIONS AND TAXES

Except as specifically noted below, this section provides a general summary of certain material U.S. federal income tax consequences of investing in the Fund for shareholders who are U.S. citizens, residents, or corporations. You should consult your own tax advisers about the precise tax consequences of an investment in the Fund in light of your particular tax situation, including possible non-U.S., state, local, or other applicable taxes (including the federal alternative minimum tax). This summary is based upon the Internal Revenue Code of 1986, as amended (the "Code") and upon judicial decisions, U.S. Treasury Regulations, IRS Rulings and other administrative materials interpreting the Code, all of which are subject to changes, which may or may not be retroactive. The Biden administration has voiced its support for significant changes to U.S. tax laws, including an increase in the maximum tax rate applicable to U.S. corporations and certain individuals, which could potentially have retroactive effect. If enacted, these changes may significantly alter the after-tax return of Fund shareholders. The Fund's shareholders may include other GMO Funds, some of which are regulated investment companies (each, a "RIC") as defined by Subchapter M of the Code. The summary below does not address tax consequences to shareholders/investors of those other GMO Funds. Shareholders/investors of those other GMO Funds should refer to the prospectuses and statements of additional information (or other applicable disclosures) for those GMO Funds for a summary of the tax consequences applicable to them.

The policy of the Fund is to declare and pay dividends of its net investment income, if any, at least annually, although the Fund is permitted to, and will from time to time, declare and pay dividends of net investment income, if any, more frequently. The Fund also intends to distribute net realized capital gains, whether categorized as resulting from the sale of investments held by the Fund for not more than one year (net short-term capital gains) or categorized as resulting from the sale of investments held by the Fund for more than one year (net long-term capital gains), if any, at least annually. In addition, the Fund may, from time to time and at its discretion, make unscheduled distributions in advance of large redemptions by shareholders or as otherwise deemed appropriate by the Fund. Net investment income of the Fund includes (i) distributions received from an underlying fund taxed as a RIC attributable to the underlying fund's own net investment income and net short-term capital gains and (ii) the Fund's allocable share of net investment income of an underlying fund taxed as a partnership. Net realized capital gains includes (i) distributions received from an underlying fund taxed as a RIC attributable to the underlying fund's net long-term capital gains and (ii) the Fund's allocable share of net short-term or net long-term capital gains of an underlying fund taxed as a partnership.

From time to time, distributions by the Fund could constitute a return of capital to shareholders for U.S. federal income tax purposes. Shareholders should read the description below for information regarding the tax character of distributions from the Fund to shareholders.

All dividends of net investment income and capital gain distributions paid to a shareholder will automatically be reinvested at net asset value in additional shares of the Fund, unless GMO or its agents receive a shareholder election to receive cash. A shareholder election must be received no later than 4:00 p.m. Eastern time via email at ClientOps@gmo.com or facsimile at 617-310-4524 on the record date of the dividends and/or distributions in order to be processed. A shareholder may elect to receive cash by marking the appropriate boxes on the GMO Trust Application, by writing to the Trust, or by notifying its broker or agent. The Fund does not charge a purchase premium on reinvested dividends and distributions.

It is important for you to note:

- The Fund is treated as a separate taxable entity for U.S. federal income tax purposes. The Fund intends to elect to be treated, and intends to qualify and be treated each year, as a RIC under Subchapter M of the Code. A RIC generally is not subject to tax at the fund level on income and gains from investments that are timely distributed to shareholders. However, the Fund's failure to qualify as a RIC would result in, among other things, Fund-level taxation, and consequently, a reduction in the value of the Fund. See "Taxes" in the SAI for more information about the tax consequences of not qualifying as a RIC.
- For U.S. federal income tax purposes, distributions of net investment income generally are taxable to shareholders as ordinary income.
- For U.S. federal income tax purposes, taxes on distributions of net realized capital gains generally are determined based on the categorization of the gains the Fund distributes, rather than by how long a shareholder has owned shares in the Fund. Distributions categorized as net realized capital gains from the sale of investments that the Fund owned for more than one year and that are reported

by the Fund as capital gain distributions generally are taxable to shareholders as long-term capital gains. Distributions categorized as net realized capital gains from the sale of investments that the Fund owned for one year or less generally are taxable to shareholders as ordinary income. Tax rules can alter the Fund's holding period in investments and thereby affect the tax treatment of gain or loss on such investments.

- The Fund's total distributions during a taxable year may exceed the Fund's net investment income and net realized capital gains for that year, in which case the excess generally would be treated as a return of capital, which would reduce a shareholder's tax basis in its shares, with any amounts exceeding such basis treated as capital gain. A return of capital is not taxable to shareholders to the extent such amount does not exceed a shareholder's tax basis, but it reduces a shareholder's tax basis in its shares, thus reducing any loss or increasing any gain on a subsequent taxable disposition by the shareholder of its shares.
- The Fund will carry any net realized capital losses (i.e. realized capital losses in excess of realized capital gains) from any taxable year forward to one or more subsequent taxable years to offset capital gains, if any, it realized during such subsequent taxable years. The Fund's net capital loss carryforwards do not expire. The Fund must apply such carryforwards first against gains of the same character. The Fund's available capital loss carryforwards, if any, will be set forth in its annual shareholder report for each fiscal year. The Fund's ability to utilize these and certain other losses to reduce distributable net realized capital gains in subsequent taxable years may be limited by reason of direct or indirect changes in the actual or constructive ownership of the Fund. Net losses realized from foreign currency-related and other instruments, as well as expenses borne by the Fund, may give rise to losses that are treated as ordinary losses. The Fund cannot carry forward such losses to subsequent taxable years to offset net investment income or short-term capital gains. This may result in the Fund's realizing economic losses for which it does not receive a corresponding benefit from a U.S. federal income tax perspective. The Fund's ability to use ordinary losses to reduce otherwise distributable net investment income or short-term capital gains may be limited by reason of direct or indirect changes in the actual or constructive ownership of the Fund. See "Taxes" in the SAI for more information.
- Distributions of net investment income properly reported by the Fund as derived from "qualified dividend income" will be taxable to shareholders taxed as individuals at the rates applicable to net capital gain, provided holding period and other requirements are met at both the shareholder and Fund levels.
- Distributions of net investment income derived from dividends eligible for the "dividends-received deduction" may allow a corporate shareholder (other than an S corporation) to deduct a percentage of such distribution, as a dividends-received deduction, in computing its taxable income, provided holding period and other requirements are met at both the shareholder and Fund levels.
- The Code generally imposes a 3.8% Medicare contribution tax on the net investment income of individuals and of certain trusts and estates to the extent their income exceeds certain threshold amounts. Net investment income (for this purpose) generally includes dividends, including any capital gain distributions, paid by the Fund, and net gains recognized on the sale, redemption or exchange of shares in the Fund, and may be reduced by certain allowable deductions. Shareholders are advised to consult their tax advisers regarding the possible implications of this additional tax on their investment in the Fund in light of their particular circumstances.
- Distributions by the Fund generally are taxable to a shareholder even if they are paid from income or gains earned by the Fund before that shareholder invested in the Fund (and accordingly the income or gains were included in the price the shareholder paid for the Fund's shares). Distributions are taxable whether shareholders receive them in cash or reinvest them in additional shares.
- Distributions by the Fund to retirement plans that qualify for tax-exempt treatment under U.S. federal income tax laws generally will not be taxable. Special tax rules apply to investments through such plans. You should consult your tax adviser to determine the suitability of the Fund as an investment through such a plan and the tax treatment of distributions from such a plan.
- Any gain resulting from a shareholder's sale, exchange, or redemption of Fund shares generally will be taxable to the shareholder as short- or long-term capital gain, depending on how long the Fund shares were held by the shareholder for U.S. federal income tax purposes. Redemptions paid in securities generally are treated by shareholders for U.S. federal income tax purposes the same as redemptions paid in cash.
- To the extent the Fund invests, directly or indirectly, in other GMO Funds, or other investment companies treated as RICs, partnerships, trusts or other pass-through structures for U.S. federal income tax purposes, including certain ETFs, the Fund's distributions could vary in terms of their timing, character, and/or amount, in some cases significantly, from what the Fund's distributions would have been had the Fund invested directly in the portfolio investments held by the underlying investment companies. See "Taxes" in the SAI for more information.
- The Fund's income from or the proceeds of dispositions of its non-U.S. investments may be subject to non-U.S. withholding or other taxes. The Fund may otherwise be subject to non-U.S. taxation on repatriation proceeds generated from those investments or to other transaction-based non-U.S. taxes on those investments. Those withholding and other taxes will reduce the Fund's return on and taxable distributions in respect of its non-U.S. investments. In some cases, the Fund may seek a refund in respect of taxes paid to a non-U.S. country. The non-U.S. withholding and other tax rates applicable to the Fund's investments in certain non-U.S. jurisdictions may be higher in certain circumstances, for instance, if the Fund has a significant number of non-U.S. shareholders, or if the Fund owns a significant holding of a non-U.S. issuer. In certain instances, shareholders may be entitled to claim a credit or deduction (but

not both) for non-U.S. taxes paid directly or indirectly. In addition, the Fund’s investments in certain non-U.S. investments, foreign currencies or foreign currency derivatives may accelerate Fund distributions to shareholders and increase the distributions taxed to shareholders as ordinary income. See “Taxes” in the SAI for more information.

- Any U.S. withholding or other taxes applicable to the Fund’s investments will reduce the Fund’s return on its investments.
- Under the Fund’s securities lending arrangements, if the Fund lends a portfolio security and a dividend is paid in respect of the security out on loan, the borrower will be required to pay to the Fund a substitute payment at least equal, on an after-tax basis, to the dividend that the Fund would have received if it had received the dividend directly. Because some borrowers of non-U.S. securities may be subject to levels of taxation that are lower than the rates applicable to the Fund, some borrowers are likely to be motivated by the ability to earn a profit on those differential tax rates and to pay the Fund for the opportunity to earn that profit. In the United States, laws are in effect limiting the ability of certain swaps and similar derivative instruments and securities lending transactions to reduce otherwise applicable U.S. withholding taxes on U.S. stock dividends paid to a non-U.S. person. There can be no assurance that similar legislation will not be adopted in other jurisdictions with respect to non-U.S. investments or that non-U.S. taxing authorities will not otherwise challenge beneficial tax results arising from swaps or other derivative instruments or securities lending arrangements.
- Some of the Fund’s investment practices, including transacting in derivatives, short sales, hedging activities generally, and securities lending activities, as well as some of the Fund’s investments, including debt obligations issued or purchased at a discount, asset-backed securities, assets “marked to the market” for U.S. federal income tax purposes, REITs, equity in certain non-U.S. corporations, master limited partnerships and, potentially, so-called “indexed securities” (such as TIPS or other inflation-indexed bonds), are subject to special and complex U.S. federal income tax provisions. These special rules may affect the timing, character, and amount of the Fund’s distributions and, in some cases, may cause the Fund to liquidate investments at disadvantageous times.
- The Fund does not currently expect to pass through to shareholders the tax-exempt character of interest from investments in tax-exempt municipal bonds, if any. Therefore, any interest on municipal bonds will be taxable to shareholders of the Fund when received as a distribution from the Fund.
- In general, in order to qualify as a RIC, the Fund must, among other things, derive at least 90% of its gross income from certain specified sources (“qualifying income”). The Fund may from time to time invest in one or more foreign corporations that are treated as controlled foreign corporation for U.S. federal income tax purposes (“CFCs”). The Fund generally should be entitled to treat income that it recognizes from its investment in a CFC as qualifying income. There is a risk, however, that the IRS could determine that some or all of the gross income derived from investments in one or more of these CFCs is not qualifying income, which might adversely affect the Fund’s ability to qualify as a RIC under the Code.
- To the extent the Fund invests in a CFC, it may be required to include in its gross income each year, as ordinary income, its share of certain amounts of the CFC’s income (so called “subpart F income”), whether or not the CFC distributes such amounts to the Fund. A CFC’s distributions to the Fund, including in redemption of CFC shares, are generally tax-free to the extent of the CFC’s subpart F income previously included in the Fund’s income. Net losses a CFC recognizes during a taxable year will not flow through to the Fund to offset income or gain generated by the Fund’s other investments, or carry forward to subsequent taxable years; this will limit the benefit from those losses.
- The Fund’s investment in a CFC could affect the amount, timing and character of its distributions and could cause the Fund to recognize taxable income in excess of the cash generated by such investment, requiring the Fund in turn to liquidate investments at disadvantageous times to generate cash needed to make required distributions. See “Taxes” in the SAI for more information about the tax consequences of specific Fund investment practices and investments, including the Fund’s investments in CFCs.
- The Fund’s pursuit of its investment strategy, including a strategy involving the ability to engage in certain derivative transactions, will potentially be limited by the Fund’s intention to qualify as a RIC, and could adversely affect the Fund’s ability to so qualify.
- Distributions paid to non-U.S. shareholders that the Fund properly reports as capital gain distributions, short-term capital gain distributions or interest-related dividends, each as further defined in the SAI, are not subject to withholding of U.S. federal income tax, provided that certain requirements are met. The Fund is permitted, but is not required, to report the part, if any, of its distributions that are eligible for such treatment. The Fund’s distributions other than those the Fund properly reports as capital gain distributions, short-term capital gain distributions or interest-related dividends generally will be subject to withholding of U.S. federal income tax. For more information on the tax consequences of investing in the Fund for non-U.S. shareholders, see “Taxes” in the SAI. Non-U.S. shareholders described in section 892 of the Code should consult their tax advisers with respect to their investment in the Fund.
- The Code generally requires the Fund to obtain information sufficient to identify the status of each of its shareholders under Sections 1471-1474 of the Code (including the U.S. Treasury Regulations and IRS guidance issued thereunder, “FATCA”) or under an applicable intergovernmental agreement (an “IGA”). If a shareholder fails to provide this information or otherwise fails to comply with FATCA or an IGA, the Fund or its agent may be required to withhold 30% of the distributions, other than capital gain distributions the Fund makes to that shareholder. If FATCA withholding is applicable, the Fund or its agent is required to withhold even if the payment would otherwise be exempt from withholding under rules applicable to non-U.S. shareholders. The IRS and the Department of Treasury have issued proposed regulations providing that the gross proceeds of share redemptions or exchanges and

capital gain distributions the Fund pays will not be subject to FATCA withholding. Each prospective shareholder is urged to consult its tax adviser regarding the applicability of FATCA and any other reporting requirements. In addition, foreign countries are considering, and may implement, laws similar in purpose and scope to FATCA, as more fully described above. See “Taxes” in the SAI for more information.

- Most states permit mutual funds, such as the Fund, to “pass through” to their shareholders the state tax exemption on income earned from investments in some direct U.S. Treasury obligations, as well as some limited types of U.S. government agency securities, so long as the Fund meets all applicable state requirements. Therefore, you may be allowed to exclude from your state taxable income distributions made to you by the Fund that are attributable to interest the Fund directly or indirectly earned on such investments. The availability of these exemptions varies by state. You should consult your tax adviser regarding the applicability of any such exemption to your situation.

Certain Non-U.S. Tax Issues Relating to the United Kingdom

As described under “Management of the Fund”, GMO has entered into a personnel sharing arrangement with GMO UK for the purpose of providing investment management and other services to the Fund. Provided the Fund is not considered to maintain a branch, agency or permanent establishment for United Kingdom taxation purposes, the Fund should not be subject to United Kingdom taxation. GMO believes that neither the activities of GMO nor the Fund are conducted in a manner that should create a branch, agency or permanent establishment for the Fund or shareholders that are not otherwise subject to United Kingdom taxation. Shareholders of the Fund bear the risk that income or gains realized by the Fund will be subject to United Kingdom taxation.

See “Taxes” in the SAI for more information, including a summary of some of the tax consequences of investing in the Fund for non-U.S. shareholders.

This is a general summary only and shareholders should consult their own tax advisers regarding the tax consequences of an investment in the Fund.

FINANCIAL HIGHLIGHTS

The Fund had not commenced operations prior to February 28, 2022 and, therefore, financial highlights are not available for the Fund.

FUND CODES

The following chart identifies the ticker, news-media symbol, and CUSIP number for each share class of the Fund currently being offered (if any).

Share Class	Ticker	Symbol	CUSIP
Class III			36256V 536
Class IV			36256V 528
Class V			36256V 510
Class VI	GSBGX		36256V 494
Class R6			36256V 486
Class I			36256V 478

GMO TRUST

ADDITIONAL INFORMATION

The Fund's annual and semiannual reports to shareholders (when available) will contain additional information about the Fund's investments. The Fund's annual report (when available) will contain a discussion of the market conditions and investment strategies that significantly affected the Fund's performance during its last fiscal year. The Fund's annual and semiannual reports (when available) will be, and the Fund's SAI is, available free of charge at https://www.gmo.com/north-america/investment-capabilities/mutual-funds/ or by writing to Shareholder Services at GMO, 40 Rowes Wharf, Boston, Massachusetts 02110 or by calling collect at 1-617-346-7646. The SAI contains more detailed information about the Fund and is incorporated by reference into this Prospectus, which means that it is legally considered to be part of this Prospectus.

Reports and other information about the Fund is available on the EDGAR database on the SEC's Internet site at http://www.sec.gov.

Shareholders who wish to communicate with the Trustees must do so by mailing a written communication, addressed as follows: To the Attention of the Board of Trustees, c/o GMO Trust Chief Compliance Officer, 40 Rowes Wharf, Boston, Massachusetts 02110. The shareholder communication must (i) be in writing and be signed by the shareholder, (ii) identify the Fund to which it relates, and (iii) identify the class and number of shares held beneficially or of record by the shareholder.

SHAREHOLDER INQUIRIES

Shareholders may request additional
information from and direct inquiries to:
Shareholder Services at
Grantham, Mayo, Van Otterloo & Co. LLC
40 Rowes Wharf, Boston, Massachusetts 02110
1-617-346-7646 (call collect)
1-617-439-4192 (fax)
SHS@GMO.com
website: http://www.gmo.com

DISTRIBUTOR

Funds Distributor, LLC
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Investment Company Act File No. 811-04347