

QUARTERLY INVESTMENT REVIEW

Resources Fund

Performance returns (USD)

ANNUALIZED RETURNS (QUARTER-END)	Quarter-End	YTD	1-Year	3-Year	5-Year	10-Year	Since Inception
Resources Fund (net)	14.82	12.56	0.83	1.61	9.08	10.57	5.61
Resources Fund (gross)	15.01	13.14	1.54	2.34	9.85	11.38	6.39
MSCI ACWI Commodity Producers	12.24	22.55	10.41	12.39	18.36	9.31	3.73
Value Add	+2.57	-9.99	-9.58	-10.78	-9.28	+1.26	+1.87

Net of all fees and expenses after reimbursement by the Manager, but not transaction costs, if any. If certain expenses were not reimbursed, performance would be lower. Gross of fees, expenses and transaction costs, if any. If these fees, expenses and costs were included, performance would be lower. **Performance data quoted represents past performance and is not indicative of future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance data may be lower or higher than the performance data provided herein. To obtain performance information to the most recent month-end, visit [www.gmo.com](http://www.gmo.com).** The portfolio is actively-managed, is not managed relative to a benchmark and uses an index for performance comparison purposes only and, where applicable, to compute a performance fee.

MAJOR PERFORMANCE DRIVERS

The third quarter saw equity markets continue in a risk-on manner, with the S&P hitting an all-time high and many technology-linked sectors seeing the same. The U.S. Federal Reserve cut rates by 25 bps, and U.S. 10-year yields ended the quarter down. Commodity markets were mixed, with energy markets flat to down, but metals and minerals were broadly up, with markets such as precious metals significantly higher. Clean Energy was broadly up as the mix of risk-on, lower rates, and policy certainty continued to drive a re-rating of the sector. Against this backdrop, the Resources portfolio was up, outperforming the MSCI Commodity Producers Index, which was also up.

Our Energy segment remained the standout performer this quarter, driven by exceptional returns across our Clean Energy portfolio, with nearly every name re-rating and several posting triple-digit gains. The solar sector was top of the pack; Sunrun and SolarEdge were our two strongest contributors. This marked the third consecutive quarter of broad earnings beats, with cyclical pressures such as inventory gluts and high interest rates easing. Policy uncertainty has largely cleared, giving companies a clearer runway for planning and expansion.

Within our oil and gas portfolio, our integrated producers had a decent quarter, particularly BP, where we have built a sizeable position, seeing it pivot back to core oil and gas operations as value accretive, along with a significant offshore discovery in Brazil. Conversely, some of our exploration-focused holdings faced headwinds, particularly in Argentina, where political volatility weighed on performance.

Inception Date: 28-Dec-11

Performance for the year of inception is less than a full calendar year. Returns shown for periods greater than one year are on an annualized basis.

**Risks:** Risks associated with investing in the Fund may include: (1) Focused Investment Risk: the Fund invests its assets in the securities of a limited number of issuers, and 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 invested in the securities of a larger number of issuers; (2) Commodities Risk: commodity prices can be extremely volatile, and exposure to commodities can cause the value of the Fund's shares to decline or fluctuate more than if the Fund had a broader range of investments; and (3) Market Risk - Equities: the market price of equities may decline due to factors affecting the issuer, its industries, or the economy and equity markets generally. Declines in stock market prices generally are likely to reduce the net asset value of the Fund's shares. For a more complete discussion of these and other risks, please consult the Fund's Prospectus. **Performance Returns:** Annualized Returns may include the impact of purchase premiums and redemption fees. The GMO Trust funds are distributed in the United States by Funds Distributor LLC. GMO and Funds Distributor LLC are not affiliated.

**Net Expense Ratio: 0.72%; Gross Expense Ratio: 0.72% Net Expense Ratio reflects the reduction of expenses from fee reimbursements. The fee reimbursements will continue until at least June 30, 2026. Elimination of this reimbursement will result in higher fees and lower performance. Gross Expense Ratio is equal to the Funds Total Annual Operating Expenses set forth in the Funds most recent prospectus dated June 30, 2025.**

# QUARTERLY INVESTMENT REVIEW

## MAJOR PERFORMANCE DRIVERS CONT.

Within metals and minerals, rising prices across copper, iron ore, lithium, and precious metals were a boon to the diversified miners and their pure-play equivalents. Some of this price moment reflected supply shocks – reduction in copper production from Indonesia and reduction in lithium production in China - a timely reminder of how imbalanced the supply of minerals can be with expected demand, and how much prices can respond as a result. In addition, China is increasingly restricting exports of rare earth metals. Most notably, our small holding in Sunrise Energy Metals, an Australian producer of critical minerals, was up over 500% for the quarter thanks to a doubled resource estimate and a letter of interest from the U.S. government. Frustratingly, given it sits outside of this portfolio's mandate, gold continued its rally and was a major driver of benchmark returns.

Finally, we have been adding to a range of names across our Agriculture and Timber portfolios as valuations have started to look more attractive.

The long-term supply/demand dynamics in natural resource markets favor high and rising prices. But the deeply discounted valuations still available in many parts of this sector mean that investors don't need commodity prices to rise in order to expect strong returns. Flat commodity prices could still lead to a healthy return from a Resource equity portfolio. In addition, valuations within the Clean Energy sector remain attractive, especially relative to expected earnings growth.

Portfolio weights, as a percent of equity, for the positions mentioned were: Sunrun (2.7%), SolarEdge (2.8%), BP (4.9%), and Sunrise Energy Metals (0.6%).

# QUARTERLY INVESTMENT REVIEW

## PRODUCT OVERVIEW

The GMO Resources Fund seeks to deliver total return by investing in the equities of companies in the natural resources sector. Long-term supply and demand dynamics in natural resource markets favor upward price trends – demand growth is being driven by population growth and the development of emerging markets, while supplies of cheap, easy to access natural resources are declining. To harness this trend, we focus on identifying companies in public equity markets that we believe will benefit from a broad rise in resource prices, across a diversified portfolio of energy, metals, agriculture, and water.

We can invest globally across the capitalization spectrum, including emerging markets, which allows us to identify attractive investment opportunities wherever they may be.

## IMPORTANT INFORMATION

**An investor should consider the fund's investment objectives, risks, charges and expenses before investing. This and other important information can be found in the funds prospectus. To obtain a prospectus please visit [www.gmo.com](http://www.gmo.com). Read the prospectus carefully before investing.**

**Comparator Index(es):** The MSCI ACWI (All Country World) Commodity Producers Index (MSCI Standard Index Series, net of withholding tax) is an independently maintained and widely published index comprised of listed large and mid capitalization commodity producers within the global developed and emerging markets. MSCI data may not be reproduced or used for any other purpose. MSCI provides no warranties, has not prepared or approved this report, and has no liability hereunder.

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## ABOUT GMO

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

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

\*\*Representative Office

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