RESOURCES FUND

Quarterly Investment Review

ANNUALIZED RETURNS (USD, %) (QUARTER-END)

	Quarter-End	YTD	1-Year	3-Year	5-Year	10-Year	Since Inception
Resources Fund (net)	30.03	30.03	70.04	9.78	7.30	13.67	8.04
Resources Fund (gross)	30.24	30.24	71.19	10.56	8.06	14.49	8.84
MSCI ACWI Commodity Producers	24.60	24.60	50.23	17.83	17.10	11.78	5.79
Value Add	+5.43	+5.43	+19.81	-8.05	-9.80	+1.89	+2.25

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.** 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 first quarter of 2026 was upended by a sharp escalation in the U.S./Israeli conflict with Iran, resulting in significant damage to Middle Eastern energy infrastructure and a near-closure of the Strait of Hormuz. The immediate consequence was a dramatic surge in both oil and natural gas prices.

This shock quickly fed through into a second-round market response: resurgent fears of inflation, sharply at odds with the year's starting point, when investors expected steady central bank easing. As the war stretches on, third-order effects are becoming increasingly relevant – namely, will this lead to demand destruction and another recession, or indeed a stagflationary outcome?

While these dynamics will be critical to monitor as the year unfolds and are likely to be a tailwind for resource equities, another near-term implication has already become clear: renewed concern around energy security and the vulnerability of global energy systems to higher fossil fuel prices. In that environment, inexpensive, clean, and rapidly deployable alternatives — notably renewables and the supporting minerals like copper, lithium, and uranium — are likely to see a meaningful acceleration in demand. Against this backdrop, the Resources portfolio was up close to 30% for the quarter, outperforming the MSCI ACWI Commodity Producers Index.

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 30 June 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 30 June 2025.

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MAJOR PERFORMANCE DRIVERS CONT..

As these returns reflect, the first quarter was an excellent period to be a resource equity investor — and an exceptional one for the energy segment of our portfolio. Energy remains our largest exposure, representing over half of the portfolio's assets, and delivered returns in excess of 40%. Performance was broad-based: oil and gas holdings benefited directly from higher commodity prices, while clean energy names continued to benefit from structural growth trends, particularly in areas such as biofuels.

Within the oil and gas portfolio, our deliberate overweight to higher beta exploration producers with more valuation upside – names like Kosmos Energy, Conoco, and Vista Energy - was particularly rewarding as they significantly outperformed their integrated peers. We were able to take profit across some of these names, including Petrobras, our Brazilian integrated producer, which delivered a strong quarter of production with a nice ramp to come.

Clean energy demand is likely to grow as the hunt for oil and gas substitutes amid geopolitical stress and growing recognition of the structural growth opportunities in areas such as biofuels. We were able to take some profit in some of our strongest performers, like Darling Ingredients and Neste. In contrast, after an incredible 2025, performance of the solar names was more subdued, giving us the opportunity to add to high-quality names like Sunrun and Array.

Within metals and minerals, performance was balanced between those minerals directly linked to renewable energy use (lithium, uranium), where performance was particularly strong, and those producers with a higher copper or iron ore exposure. From the diversified miners, it was a particularly strong quarter for Glencore, and we were able to take some profit on the position. Glencore has benefited from its remaining coal exposure and likely profits from its trading business as commodity market volatility spikes. In contrast, and reversing the pattern of recent quarters, gold prices flatlined, proving to be less of a downside hedge after such a significant run. Not holding gold producers this quarter was a boon.

Agriculture and timber positions delivered solid absolute returns but couldn’t keep up with broader energy and metals markets.

Looking ahead, the long-term supply/demand dynamics in natural resource markets favor high and rising prices. Recent geopolitical events have only served as a reminder of just how imbalanced these markets can become under a supply shock. 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. We expect significant free cash flow generation over the coming years across a range of commodity producers.

Portfolio weights, as a percent of equity, for the positions mentioned were: Kosmos Energy (2.8%), Conoco (3.3%), Vista Energy (4.0%), Petrobas (3.6%), Darling Ingredients (4.4%), Neste (2.1%), Sunrun (2.2%), Array (1.6%), and Glencore (3.9%).

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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. 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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