

GMO Trust
Semiannual Report
August 31, 2020

Asset Allocation Bond Fund
Emerging Country Debt Fund
High Yield Fund
Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)
Opportunistic Income Fund
U.S. Treasury Fund

Beginning on January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, GMO expects that paper copies of each Fund's annual and semiannual reports to shareholders will no longer be sent by mail, unless you specifically request paper copies of the reports by writing or calling GMO Shareholder Services at the address or phone number below or by contacting your financial intermediary, such as a broker or agent. Instead, reports will be available on a website, and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. If you are a direct investor, you may elect to receive shareholder reports and other communications from the Fund electronically by contacting GMO Shareholder Services or if you own your shares through a financial intermediary, you may contact your financial intermediary.

Beginning January 1, 2019, you may elect to receive all future reports in paper free of charge. If you invest through a financial intermediary, you can contact your financial intermediary to request to continue to receive paper copies of your shareholder reports or you can follow instructions included with this disclosure. If you invest directly with the Fund, you can contact GMO Shareholder Services at the address or phone number below. Your election to receive reports in paper will apply to all Funds held directly with the Trust.

Shareholder Services at
Grantham, Mayo, Van Otterloo & Co. LLC
40 Rowes Wharf, Boston, Massachusetts 02110
1-617-346-7646 (collect)

For a free copy of the Funds' proxy voting guidelines, shareholders may call 1-617-346-7646 (collect), visit GMO's website at www.gmo.com or visit the Securities and Exchange Commission's website at www.sec.gov. Information regarding how the Funds voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 will be available without charge on GMO's website at www.gmo.com and on the Securities and Exchange Commission's website at www.sec.gov no later than August 31 of each year.

The Funds file their complete schedule of portfolio holdings with the Securities and Exchange Commission for the first and third quarter of each fiscal year on Form N-PORT which is available on the Commission's website at www.sec.gov. The Funds have a policy with respect to disclosure of portfolio holdings under which they may also make a complete schedule of portfolio holdings available on GMO's website at www.gmo.com.

This report is prepared for the general information of shareholders. It is authorized for distribution to prospective investors only when preceded or accompanied by a prospectus for the GMO Trust, which contains a complete discussion of the risks associated with an investment in these Funds and other important information. The GMO Trust prospectus can be obtained at www.gmo.com. The GMO Trust Statement of Additional Information includes additional information about the Trustees of GMO Trust and is available without charge, upon request, by calling 1-617-346-7646 (collect).

An investment in the Funds is subject to risk, including the possible loss of principal amount invested. There can be no assurance that the Funds will achieve their stated investment objectives. Please see the Funds' prospectus regarding specific principal risks for each Fund. General risks may include: market risk-fixed income investments, management and operational risk, market risk-asset backed securities, credit risk and derivatives risk.

The Funds are distributed by Funds Distributor LLC. Funds Distributor LLC is not affiliated with GMO.

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GMO Asset Allocation Bond Fund
(A Series of GMO Trust)
Investment Concentration Summary
August 31, 2020 (Unaudited)

<u>Asset Class Summary</u> ^{&}	<u>% of Total Net Assets</u>
Debt Obligations	96.0%
Mutual Funds	3.9
Short-Term Investments	0.1
Other	0.0 [^]
	<u><u>100.0%</u></u>

& In the table, derivative financial instruments, if any, are based on market values, rather than the notional amounts of derivatives, except for forward currency contracts which are based on unrealized appreciation/(depreciation).

[^] Rounds to 0.0%.

GMO Asset Allocation Bond Fund
(A Series of GMO Trust)
Schedule of Investments
(showing percentage of total net assets)
August 31, 2020 (Unaudited)

Par Value† / Shares	Description	Value (\$)
DEBT OBLIGATIONS — 96.0%		
U.S. Government — 96.0%		
4,174,450	U.S. Treasury Inflation Indexed Bond, 0.25%, due 01/15/25 ^(a)	4,491,203
9,693,968	U.S. Treasury Inflation Indexed Bond, 0.38%, due 01/15/27 ^(a)	10,771,096
10,303,108	U.S. Treasury Inflation Indexed Bond, 0.50%, due 01/15/28 ^(a)	11,659,215
25,356,077	U.S. Treasury Inflation Indexed Bond, 1.75%, due 01/15/28 ^(a)	31,134,489
6,217,456	U.S. Treasury Inflation Indexed Bond, 0.75%, due 07/15/28 ^(a)	7,232,042
11,253,189	U.S. Treasury Inflation Indexed Bond, 0.88%, due 01/15/29 ^(a)	13,232,168
28,604,790	U.S. Treasury Inflation Indexed Bond, 2.50%, due 01/15/29 ^(a)	37,742,680
16,229,484	U.S. Treasury Inflation Indexed Bond, 0.13%, due 01/15/30 ^(a)	18,136,448
8,243,542	U.S. Treasury Inflation Indexed Bond, 0.13%, due 07/15/30 ^(a)	9,287,992
	Total U.S. Government	<u>143,687,333</u>
	TOTAL DEBT OBLIGATIONS (COST \$128,680,790)	<u>143,687,333</u>
MUTUAL FUNDS — 3.9%		
United States — 3.9%		
Affiliated Issuers — 3.9%		
1,162,268	GMO U.S. Treasury Fund	<u>5,857,830</u>
	TOTAL MUTUAL FUNDS (COST \$5,856,994)	<u>5,857,830</u>
SHORT-TERM INVESTMENTS — 0.1%		
Money Market Funds — 0.1%		
130,156	State Street Institutional Treasury Money Market Fund – Premier Class, 0.03% ^(b)	<u>130,156</u>
	TOTAL SHORT-TERM INVESTMENTS (COST \$130,156)	<u>130,156</u>
	TOTAL INVESTMENTS — 100.0% (Cost \$134,667,940)	149,675,319
	Other Assets and Liabilities (net) — 0.00%	<u>19,302</u>
	TOTAL NET ASSETS — 100.0%	<u>\$149,694,621</u>

Notes to Schedule of Investments:

† Denominated in U.S. Dollar, unless otherwise indicated.

(a) Indexed security in which price and/or coupon is linked to the price of a specific instrument or financial statistic (Note 2).

(b) The rate disclosed is the 7 day net yield as of August 31, 2020.

For a listing of definitions of acronyms, counterparty abbreviations and currency abbreviations used throughout the Schedule of Investments as well as the derivative tables, if any, please refer to page 39.

GMO Emerging Country Debt Fund

(A Series of GMO Trust)

Investment Concentration Summary

August 31, 2020 (Unaudited)

Asset Class Summary†	% of Total Net Assets
Debt Obligations	94.5%
Short-Term Investments	1.9
Loan Participations	0.9
Loan Assignments	0.5
Rights/Warrants	0.3
Swap Contracts	0.1
Written Options/Credit Linked Options	(0.0) [^]
Forward Currency Contracts	(0.2)
Other	2.0
	100.0%

Country/Region Summary‡	% of Investments
Other Emerging	14.0%*
Mexico	7.0
Indonesia	5.5
Turkey	5.4
Oman	3.7
South Africa	3.7
Argentina	3.6
Saudi Arabia	3.4
Chile	3.3
Ukraine	3.1
Russia	3.0
Bahrain	2.9
Egypt	2.8
Dominican Republic	2.6
Qatar	2.6
Tunisia	2.2
Brazil	2.2
Ecuador	2.1
Pakistan	2.1
United Arab Emirates	2.1
Sri Lanka	2.1
Jordan	1.9
Colombia	1.8
Panama	1.7
Philippines	1.6
Costa Rica	1.6
Uruguay	1.3
Kenya	1.3
Kazakhstan	1.2
Ivory Coast	1.2
India	1.2
Ghana	1.2
Azerbaijan	1.2
Romania	1.1
Guatemala	1.0
Malaysia	1.0
United States	0.3
	100.0%

† The table incorporates aggregate indirect asset class exposure associated with investments in other funds of GMO Trust (“underlying funds”). Derivative financial instruments, if any, are based on market values, rather than the notional amounts of derivatives, except for forward currency contracts which are based on unrealized appreciation/(depreciation).

‡ The table incorporates aggregate indirect country exposure associated with investments in the underlying funds. The table excludes short-term investments. The table includes exposure through the use of certain derivative financial instruments and excludes exposure through certain currency linked derivatives such as forward currency contracts and currency options. The table is based on duration adjusted net exposures (both investments and derivatives), taking into account the market value of securities and the notional amounts of swaps and other derivative financial instruments. For example, U.S. asset-backed securities may represent a relatively small percentage due to their short duration, even though they represent a large percentage of market value (direct and indirect). Duration is based on GMO’s models. The greater the duration of a bond, the greater its contribution to the concentration percentage. Credit default swap exposures are factored into the duration adjusted exposure using a reference security and applying the same methodology to that security.

* “Other Emerging” is comprised of emerging countries that each represent between (1.0)% and 1.0% of Investments.

^ Rounds to 0.0%.

GMO Emerging Country Debt Fund
(A Series of GMO Trust)
Schedule of Investments
(showing percentage of total net assets)
August 31, 2020 (Unaudited)

Par Value†	Description	Value (\$)	Par Value†	Description	Value (\$)
DEBT OBLIGATIONS — 94.5%			Armenia — continued		
Albania — 1.0%			Foreign Government Obligations — 0.1%		
	Foreign Government Obligations		2,195,000	Republic of Armenia, Reg S, 7.15%, due 03/26/25	2,518,763
49,649,849	Republic of Albania Par Bond, Zero Coupon, due 08/31/25 ^{(a) (b)}	45,728,738		Total Armenia	21,568,763
Angola — 0.6%			Azerbaijan — 1.6%		
Foreign Government Obligations			Foreign Government Agency — 1.1%		
23,300,000	Angolan Government International Bond, Reg S, 9.38%, due 05/08/48	19,135,125	11,388,000	International Bank of Azerbaijan OJSC, Reg S, 3.50%, due 09/01/24	10,476,960
7,300,000	Angolan Government International Bond, Reg S, 9.13%, due 11/26/49	5,894,750	18,950,000	Petkim Petrokimya Holding AS, Reg S, 5.88%, due 01/26/23	18,807,875
819,000	Republic of Angola Via Avenir II BV, Reg S, 6 mo. LIBOR + 4.50%, 4.98%, due 12/07/23 ^(c)	712,530	14,900,000	Southern Gas Corridor CJSC, Reg S, 6.88%, due 03/24/26	17,783,150
	Total Angola	25,742,405			47,067,985
Argentina — 3.3%			Foreign Government Obligations — 0.5%		
Foreign Government Obligations			20,300,000	Republic of Azerbaijan International Bond, Reg S, 5.13%, due 09/01/29	22,330,000
5,400,000	Republic of Argentina, 7.50%, due 04/22/26 ^(d)	2,462,063		Total Azerbaijan	69,397,985
39,858,000	Republic of Argentina, 6.88%, due 01/26/27 ^(d)	17,674,532	Bahamas — 0.3%		
8,176,000	Republic of Argentina, 5.88%, due 01/11/28 ^(d)	3,577,000	Foreign Government Obligations		
EUR 12,000,000	Republic of Argentina, Reg S, 5.25%, due 01/15/28 ^(d)	6,086,086	8,709,000	Bahamas Government International Bond, Reg S, 6.00%, due 11/21/28	7,919,747
14,692,000	Republic of Argentina, 6.63%, due 07/06/28 ^(d)	6,441,524	8,323,000	Bahamas Government International Bond, Reg S, 6.95%, due 11/20/29	7,573,930
10,786,557	Republic of Argentina, 8.28%, due 12/31/33 ^(d)	4,314,623		Total Bahamas	15,493,677
JPY 407,485,276	Republic of Argentina, Variable Rate, 4.33%, due 12/31/33 ^(c)	917,451	Bahrain — 1.7%		
JPY 323,575,000	Republic of Argentina, 0.67%, due 12/31/38 ^(c)	946,491	Foreign Government Obligations		
27,500,000	Republic of Argentina, 7.63%, due 04/22/46 ^(d)	11,893,750	19,500,000	Bahrain Government International Bond, 144A, 5.63%, due 09/30/31	20,304,375
7,600,000	Republic of Argentina, 7.13%, due 06/28/2117 ^(d)	3,270,375	4,100,000	Bahrain Government International Bond, Reg S, 6.00%, due 09/19/44	4,056,438
EUR 17,641,371	Republic of Argentina Discount Bond, 7.82%, due 12/31/33 ^(d)	10,460,378	45,450,000	Bahrain Government International Bond, Reg S, 7.50%, due 09/20/47	51,741,984
40,308,593	Republic of Argentina Discount Bond, 8.28%, due 12/31/33 ^(d)	20,935,275		Total Bahrain	76,102,797
EUR 116,880,000	Republic of Argentina Par Bond, Step Up, 3.38%, due 12/31/38 ^(d)	59,076,252	Barbados — 0.3%		
	Total Argentina	148,055,800	Foreign Government Obligations		
Armenia — 0.5%			7,600,000	Barbados Government International Bond, 144A, 6.50%, due 10/01/29	7,429,000
Foreign Government Agency — 0.4%			7,900,000	Barbados Government International Bond, Reg S, 6.50%, due 10/01/29	7,722,250
20,000,000	Ardshinbank CJSC Via Dilijan Finance BV, 144A, 6.50%, due 01/28/25	19,050,000		Total Barbados	15,151,250
Belarus — 0.7%			Belarus — 0.7%		
Foreign Government Agency — 0.2%			Foreign Government Agency — 0.2%		
			8,304,000	Development Bank of the Republic of Belarus JSC, Reg S, 6.75%, due 05/02/24	7,805,760

GMO Emerging Country Debt Fund
(A Series of GMO Trust)
Schedule of Investments — (Continued)
(showing percentage of total net assets)
August 31, 2020 (Unaudited)

Par Value†	Description	Value (\$)	Par Value†	Description	Value (\$)
	Belarus — continued			Chile — continued	
	Foreign Government Obligations — 0.5%			Foreign Government Agency — 1.4%	
19,100,000	Republic of Belarus International Bond, Reg S, 6.20%, due 02/28/30	17,734,350	8,800,000	Corp Nacional del Cobre de Chile, Reg S, 4.25%, due 07/17/42	10,018,250
3,800,000	Republic of Belarus Ministry of Finance, 144A, 5.88%, due 02/24/26	3,551,812	31,700,000	Corp Nacional del Cobre de Chile, 144A, 3.70%, due 01/30/50	33,909,094
4,500,000	Republic of Belarus Ministry of Finance, 144A, 6.38%, due 02/24/31	4,176,844	8,100,000	Empresa Nacional del Petroleo, Reg S, 5.25%, due 11/06/29	9,459,281
		<u>25,463,006</u>	7,600,000	Empresa Nacional del Petroleo, Reg S, 4.50%, due 09/14/47	8,367,125
	Total Belarus	<u>33,268,766</u>		Total Chile	<u>61,753,750</u>
					<u>125,742,423</u>
	Belize — 0.5%			China — 0.3%	
	Foreign Government Obligations			Corporate Debt	
50,932,100	Republic of Belize, Reg S, Step Up, 4.94%, due 02/20/34	22,410,124	14,200,000	Lamar Funding Ltd., Reg S, 3.96%, due 05/07/25	13,498,875
	Bermuda — 0.3%			Colombia — 2.0%	
	Foreign Government Obligations			Foreign Government Agency — 1.7%	
9,490,000	Bermuda Government International Bond, Reg S, 4.75%, due 02/15/29	11,319,791	5,900,000	Ecopetrol SA, 6.88%, due 04/29/30	7,110,621
			45,411,000	Ecopetrol SA, 7.38%, due 09/18/43	58,807,245
			3,800,000	Ecopetrol SA, 5.88%, due 05/28/45	4,312,240
			COP 30,200,000,000	Empresas Publicas de Medellin ESP, 144A, 8.38%, due 11/08/27	8,356,060
					<u>78,586,166</u>
	Brazil — 2.1%			Foreign Government Obligations — 0.3%	
	Corporate Debt — 0.5%			Foreign Government Agency — 0.3%	
22,662,254	MV24 Capital BV, 144A, 6.75%, due 06/01/34	23,420,023	647,000	Colombia Government International Bond, 8.38%, due 02/15/27	824,110
			3,800,000	Colombia Government International Bond, 11.85%, due 03/09/28 ^(c)	5,586,000
			4,800,000	Colombia Government International Bond, 5.63%, due 02/26/44	6,078,000
				Total Colombia	<u>91,074,276</u>
	Foreign Government Agency — 0.9%				
3,100,000	Centrais Eletricas Brasileiras SA, 144A, 4.63%, due 02/04/30	3,134,875		Congo Republic (Brazzaville) — 1.1%	
32,439,000	Petrobras Global Finance BV, 6.85%, due 06/05/2115	35,642,351		Foreign Government Obligations	
		<u>38,777,226</u>	66,264,267	Republic of Congo, Reg S, Step Up, 6.00%, due 06/30/29 ^(c)	50,360,843
	Foreign Government Obligations — 0.7%			Costa Rica — 1.7%	
13,397,000	Republic of Brazil, 7.13%, due 01/20/37	17,185,839		Foreign Government Agency — 0.3%	
8,300,000	Republic of Brazil, 5.63%, due 02/21/47	9,296,000	14,198,000	Instituto Costarricense de Electricidad, Reg S, 6.38%, due 05/15/43	11,007,887
4,200,000	Republic of Brazil, 4.75%, due 01/14/50	4,214,438			
		<u>30,696,277</u>			
	Total Brazil	<u>92,893,526</u>			
	Cameroon — 0.2%				
	Foreign Government Obligations				
10,300,000	Republic of Cameroon International Bond, Reg S, 9.50%, due 11/19/25	10,918,000			
	Chile — 2.8%				
	Corporate Debt — 1.4%				
26,100,000	Empresa de Transporte de Pasajeros Metro SA, 144A, 4.70%, due 05/07/50	32,494,500	26,400,000	Costa Rica Government International Bond, Reg S, 9.20%, due 08/26/26	28,445,989
20,411,000	Empresa Nacional de Electricidad SA, 8.13%, due 02/01/97 ^(a)	31,494,173	36,731,000	Costa Rica Government International Bond, Reg S, 7.16%, due 03/12/45	34,079,481
		<u>63,988,673</u>		Total Costa Rica	<u>73,533,357</u>

See accompanying notes to the financial statements.

GMO Emerging Country Debt Fund
(A Series of GMO Trust)
Schedule of Investments — (Continued)
(showing percentage of total net assets)
August 31, 2020 (Unaudited)

Par Value†	Description	Value (\$)	Par Value†	Description	Value (\$)
	Dominican Republic — 3.0%			Ethiopia — 0.1%	
	Asset-Backed Securities — 0.3%			Foreign Government Obligations	
14,737,942	Autopistas Del Nordeste Ltd., Reg S, 9.39%, due 04/15/24	14,728,731	6,690,000	Ethiopia International Bond, Reg S, 6.63%, due 12/11/24	6,756,900
	Foreign Government Obligations — 2.7%			Gabon — 0.5%	
17,687,000	Dominican Republic International Bond, Reg S, 8.63%, due 04/20/27	20,632,991	5,879,378	Foreign Government Obligations	
DOP 1,500,000,000	Dominican Republic International Bond, 144A, 10.38%, due 01/11/30	26,109,319	15,800,000	Gabonese Republic, Reg S, 6.38%, due 12/12/24	5,815,072
48,011,000	Dominican Republic International Bond, Reg S, 6.85%, due 01/27/45	50,891,660		Gabonese Republic, 144A, 6.63%, due 02/06/31	15,202,563
11,900,000	Dominican Republic International Bond, 144A, 6.40%, due 06/05/49	12,063,625		Total Gabon	21,017,635
8,600,000	Dominican Republic International Bond, 144A, 5.88%, due 01/30/60	8,218,375		Ghana — 1.3%	
		117,915,970	12,711,626	Foreign Government Agency — 0.3%	
	Total Dominican Republic	132,644,701		Saderea, Ltd., Reg S, 12.50%, due 11/30/26	12,711,626
	Ecuador — 2.3%			Foreign Government Obligations — 1.0%	
	Foreign Government Obligations		17,482,000	Republic of Ghana, Reg S, 10.75%, due 10/14/30	21,459,155
85,900,000	Ecuador Government International Bond, Reg S, 10.75%, due 01/31/29 ^(d)	43,835,844	12,600,000	Republic of Ghana, Reg S, 8.95%, due 03/26/51	11,698,312
5,151,241	Ecuador Government International Bond, Zero Coupon, due 07/31/30	2,549,864	14,300,000	Republic of Ghana, 144A, 8.75%, due 03/11/61	13,013,000
14,241,150	Ecuador Government International Bond, 0.50%, due 07/31/30	10,609,657		Total Ghana	46,170,467
37,320,855	Ecuador Government International Bond, 0.50%, due 07/31/35	23,325,534			58,882,093
17,104,450	Ecuador Government International Bond, 0.50%, due 07/31/40	9,236,403		Grenada — 0.2%	
19,875,364	Ecuador Social Bond Sarl, Zero Coupon, 144A, due 01/30/35	12,918,987	11,501,250	Foreign Government Obligations	
	Total Ecuador	102,476,289		Grenada Government International Bond, Reg S, 7.00%, due 05/12/30	8,050,875
	Egypt — 2.0%			Guatemala — 0.8%	
	Foreign Government Obligations			Foreign Government Obligations	
28,500,000	Egypt Government International Bond, Reg S, 7.90%, due 02/21/48	27,547,031	11,765,000	Republic of Guatemala, Reg S, 8.13%, due 10/06/34	16,357,026
33,900,000	Egypt Government International Bond, Reg S, 8.70%, due 03/01/49	34,768,687	14,700,000	Republic of Guatemala, 144A, 6.13%, due 06/01/50	18,232,594
17,400,000	Egypt Government International Bond, 144A, 8.88%, due 05/29/50	18,057,938		Total Guatemala	34,589,620
9,714,000	Egypt Government International Bond, Reg S, 8.15%, due 11/20/59	9,383,117		Honduras — 0.2%	
	Total Egypt	89,756,773	3,500,000	Foreign Government Obligations	
	El Salvador — 0.8%		6,500,000	Honduras Government International Bond, Reg S, 6.25%, due 01/19/27	3,857,656
	Foreign Government Obligations			Honduras Government International Bond, 144A, 5.63%, due 06/24/30	7,107,344
17,175,000	El Salvador Government International Bond, Reg S, 7.65%, due 06/15/35	16,074,727		Total Honduras	10,965,000
21,500,000	El Salvador Government International Bond, 144A, 7.12%, due 01/20/50	18,490,000			
	Total El Salvador	34,564,727			

GMO Emerging Country Debt Fund
(A Series of GMO Trust)
Schedule of Investments — (Continued)
(showing percentage of total net assets)
August 31, 2020 (Unaudited)

Par Value†	Description	Value (\$)	Par Value†	Description	Value (\$)
	India — 1.2%			Israel — 0.5%	
	Corporate Debt — 1.0%			Foreign Government Agency — 0.4%	
27,700,000	Delhi International Airport Ltd., 144A, 6.45%, due 06/04/29	27,665,375	12,323,000	Israel Electric Corp., Ltd., Reg S, 8.10%, due 12/15/96	17,775,927
18,140,000	GMR Hyderabad International Airport Ltd, Reg S, 4.25%, due 10/27/27	16,065,237		Foreign Government Obligations — 0.1%	
		43,730,612	3,500,000	Israel Government International Bond, 3.88%, due 07/03/50	4,178,125
	Foreign Government Agency — 0.2%			Total Israel	21,954,052
1,500,000	Export-Import Bank of India, 144A, 3.25%, due 01/15/30	1,530,469		Ivory Coast — 0.8%	
7,500,000	Indian Railway Finance Corp., Ltd., 144A, 3.25%, due 02/13/30	7,619,531		Foreign Government Obligations	
		9,150,000	EUR 33,200,000	Ivory Coast Government International Bond, Reg S, 6.63%, due 03/22/48	36,005,952
	Total India	52,880,612		Jamaica — 1.0%	
	Indonesia — 5.3%			Corporate Debt — 0.1%	
	Foreign Government Agency — 3.4%		6,251,000	TransJamaican Highway Ltd, 144A, 5.75%, due 10/10/36	6,209,978
14,700,000	Hutama Karya Persero PT, 144A, 3.75%, due 05/11/30	16,055,156		Foreign Government Agency — 0.3%	
3,700,000	Indonesia Asahan Aluminium Persero PT, 144A, 5.45%, due 05/15/30	4,347,500	11,400,000	National Road Operating & Construction Co., Ltd., Reg S, 9.38%, due 11/10/24 ^(c)	12,255,000
15,000,000	Indonesia Asahan Aluminium Persero PT, 144A, 5.80%, due 05/15/50	18,262,500		Foreign Government Obligations — 0.6%	
18,400,000	Pertamina Persero PT, Reg S, 6.50%, due 05/27/41	23,943,000	19,175,000	Jamaica Government International Bond, 7.88%, due 07/28/45	25,167,187
8,100,000	Pertamina Persero PT, Reg S, 5.63%, due 05/20/43	9,785,813		Total Jamaica	43,632,165
9,900,000	Pertamina Persero PT, 144A, 4.15%, due 02/25/60	9,912,375		Jordan — 1.5%	
8,000,000	Perusahaan Listrik Negara PT, Reg S, 6.15%, due 05/21/48	10,475,000		Foreign Government Obligations	
14,200,000	Perusahaan Listrik Negara PT, Reg S, 6.25%, due 01/25/49	18,721,813	20,400,000	Jordan Government International Bond, 144A, 5.85%, due 07/07/30	20,604,000
5,300,000	Perusahaan Penerbit SBSN Indonesia III, 144A, 3.80%, due 06/23/50	5,709,094	43,050,000	Jordan Government International Bond, Reg S, 7.38%, due 10/10/47	44,879,625
36,900,000	Saka Energi Indonesia PT, Reg S, 4.45%, due 05/05/24	34,432,312		Total Jordan	65,483,625
		151,644,563		Kazakhstan — 0.9%	
	Foreign Government Obligations — 1.9%			Foreign Government Agency	
43,091,000	Indonesia Government International Bond, Reg S, 6.63%, due 02/17/37	61,552,800	19,900,000	KazMunayGas National Co JSC, Reg S, 6.38%, due 10/24/48	26,815,250
7,900,000	Indonesia Government International Bond, Reg S, 5.25%, due 01/08/47	10,482,313	9,000,000	Kazakhstan Temir Zholy Finance BV, Reg S, 6.95%, due 07/10/42	12,532,500
9,500,000	Indonesia Government International Bond, 4.35%, due 01/11/48	11,266,406		Total Kazakhstan	39,347,750
		83,301,519		Kenya — 0.8%	
	Total Indonesia	234,946,082	36,400,000	Foreign Government Obligations	
				Kenya Government International Bond, Reg S, 8.25%, due 02/28/48	36,673,000

See accompanying notes to the financial statements.

GMO Emerging Country Debt Fund
(A Series of GMO Trust)
Schedule of Investments — (Continued)
(showing percentage of total net assets)
August 31, 2020 (Unaudited)

Par Value†	Description	Value (\$)	Par Value†	Description	Value (\$)
	Kuwait — 0.4%			Morocco — 0.4%	
	Corporate Debt			Foreign Government Agency	
7,300,000	Equate Petrochemical BV, Reg S, 4.25%, due 11/03/26	7,824,688	14,500,000	Office Cherifien des Phosphates SA, Reg S, 6.88%, due 04/25/44	18,532,813
9,200,000	MEGlobal Canada ULC, 144A, 5.88%, due 05/18/30	11,063,000			
	Total Kuwait	18,887,688		Mozambique — 0.2%	
				Foreign Government Obligations	
	Lebanon — 0.4%		9,276,000	Mozambique International Bond, Reg S, 5.00%, due 09/15/31	7,838,220
	Foreign Government Obligations				
15,000,000	Lebanon Government International Bond, Reg S, 6.85%, due 03/23/27 ^(d)	2,325,000		Nigeria — 0.8%	
41,605,000	Lebanon Government International Bond, Reg S, 7.15%, due 11/20/31 ^(d)	6,032,725		Foreign Government Obligations	
18,800,000	Lebanon Government International Bond, 8.20%, due 05/17/33 ^(d)	2,726,000	7,400,000	Nigeria Government International Bond, Reg S, 8.75%, due 01/21/31	7,961,937
42,944,000	Lebanon Government International Bond, 8.25%, due 05/17/34 ^(d)	6,226,880	10,700,000	Nigeria Government International Bond, Reg S, 7.70%, due 02/23/38	10,365,625
	Total Lebanon	17,310,605	10,750,000	Nigeria Government International Bond, Reg S, 7.63%, due 11/28/47	10,209,141
			7,600,000	Nigeria Government International Bond, Reg S, 9.25%, due 01/21/49	8,117,750
	Malaysia — 0.6%			Total Nigeria	36,654,453
	Foreign Government Agency				
10,700,000	IMDB Global Investments Ltd, Reg S, 4.40%, due 03/09/23	10,740,125		Oman — 2.6%	
11,700,000	Petronas Capital Ltd., 144A, 4.80%, due 04/21/60	16,818,750		Foreign Government Obligations	
	Total Malaysia	27,558,875	33,800,000	Oman Government International Bond, 144A, 6.00%, due 08/01/29	33,124,000
			19,000,000	Oman Government International Bond, Reg S, 6.50%, due 03/08/47	16,815,000
	Mexico — 6.1%		74,900,000	Oman Government International Bond, Reg S, 6.75%, due 01/17/48	66,918,469
	Foreign Government Agency — 3.7%			Total Oman	116,857,469
27,884,000	Petroleos Mexicanos, 6.35%, due 02/12/48	22,489,003			
6,400,000	Petroleos Mexicanos, Reg S, 6.63%, due 09/29/49	4,997,360		Pakistan — 0.9%	
131,800,000	Petroleos Mexicanos, 144A, 7.69%, due 01/23/50	117,528,538		Foreign Government Obligations	
22,986,000	Petroleos Mexicanos, 144A, 6.95%, due 01/28/60	19,104,814	39,562,000	Islamic Republic of Pakistan, Reg S, 7.88%, due 03/31/36	41,193,932
		164,119,715			
	Foreign Government Obligations — 2.4%			Panama — 1.7%	
10,700,000	United Mexican States, 5.00%, due 04/27/51	12,337,100		Foreign Government Agency — 0.6%	
19,578,000	United Mexican States, 5.75%, due 10/12/2110	23,903,515	24,491,256	Aeropuerto Internacional de Tocumen SA, Reg S, 6.00%, due 11/18/48	27,292,443
GBP 50,396,000	United Mexican States, 5.63%, due 03/19/2114	71,408,780			
		107,649,395		Foreign Government Obligations — 1.1%	
	Total Mexico	271,769,110	7,951,000	Panama Government International Bond, 8.13%, due 04/28/34	11,312,782
			9,000,000	Panama Government International Bond, 4.30%, due 04/29/53	11,348,438
			16,800,000	Panama Government International Bond, 4.50%, due 04/01/56	21,840,000
			4,200,000	Panama Notas del Tesoro, 144A, 3.75%, due 04/17/26	4,415,250
				Total Panama	48,916,470
					76,208,913

GMO Emerging Country Debt Fund
(A Series of GMO Trust)
Schedule of Investments — (Continued)
(showing percentage of total net assets)
August 31, 2020 (Unaudited)

Par Value†	Description	Value (\$)	Par Value†	Description	Value (\$)
	Papua New Guinea — 0.0%			Russia — 2.7%	
	Foreign Government Obligations			Foreign Government Agency — 0.7%	
1,400,000	Papua New Guinea Government International Bond, Reg S, 8.38%, due 10/04/28	1,400,000	6,367,000	Gazprom OAO Via Gaz Capital SA, Reg S, 8.63%, due 04/28/34	9,805,180
			21,870,000	GTLK Europe Capital DAC, Reg S, 4.65%, due 03/10/27	21,952,012
					31,757,192
	Peru — 1.1%			Foreign Government Obligations — 2.0%	
	Foreign Government Agency — 1.0%				
9,289,451	Peru Enhanced Pass-Through Finance Ltd., Reg S, Zero Coupon, due 06/02/25 ^(c)	8,912,021	34,000,000	Russian Foreign Bond, 144A, 5.10%, due 03/28/35	42,330,000
30,595,000	Petroleos del Peru SA, Reg S, 5.63%, due 06/19/47	37,364,144	8,800,000	Russian Foreign Bond, Reg S, 5.10%, due 03/28/35	10,956,000
		46,276,165	4,400,000	Russian Foreign Bond, Reg S, 5.88%, due 09/16/43	6,204,000
	Foreign Government Obligations — 0.1%		20,800,000	Russian Foreign Bond, Reg S, 5.25%, due 06/23/47	28,340,000
3,700,000	Peruvian Government International Bond, 2.78%, due 01/23/31	4,034,850			87,830,000
	Total Peru	50,311,015		Total Russia	119,587,192
	Philippines — 1.7%			Rwanda — 0.1%	
	Foreign Government Agency			Foreign Government Obligations	
4,700,000	Bangko Sentral ng Pilipinas Bond, 8.60%, due 06/15/97 ^(c)	13,766,696	3,587,000	Rwanda International Government Bond, Reg S, 6.63%, due 05/02/23	3,649,773
42,012,000	National Power Corp., Global Bond, 9.63%, due 05/15/28	62,177,760			
	Total Philippines	75,944,456		Saudi Arabia — 2.4%	
	Qatar — 2.6%			Corporate Debt — 0.7%	
	Foreign Government Agency — 0.3%				
13,378,000	QNB Finansbank AS, Reg S, 6.88%, due 09/07/24	13,511,780	26,550,000	ACWA Power Management And Investments One Ltd, Reg S, 5.95%, due 12/15/39	29,603,250
	Foreign Government Obligations — 2.3%			Foreign Government Obligations — 1.7%	
11,000,000	Qatar Government International Bond, Reg S, 5.10%, due 04/23/48	15,551,250	62,300,000	Saudi Government International Bond, 144A, 4.50%, due 04/22/60	77,656,950
7,300,000	Qatar Government International Bond, 144A, 3.40%, due 04/16/25	7,980,269		Total Saudi Arabia	107,260,200
17,000,000	Qatar Government International Bond, 144A, 3.75%, due 04/16/30	19,740,187		Senegal — 0.4%	
45,000,000	Qatar Government International Bond, 144A, 4.40%, due 04/16/50	58,387,500		Foreign Government Obligations	
		101,659,206	17,400,000	Senegal Government International Bond, Reg S, 6.75%, due 03/13/48	17,291,250
	Total Qatar	115,170,986			
	Romania — 0.7%			South Africa — 3.5%	
	Foreign Government Obligations			Foreign Government Agency — 0.7%	
EUR 10,900,000	Romanian Government International Bond, 144A, 3.38%, due 01/28/50	12,800,210	ZAR 163,000,000	Eskom Holdings SOC, Ltd., Reg S, 7.13%, due 02/11/25	12,784,000
16,100,000	Romanian Government International Bond, 144A, 4.00%, due 02/14/51	16,261,000	13,600,000	Eskom Holdings SOC, Ltd., Reg S, 8.45%, due 08/10/28	13,039,000
	Total Romania	29,061,210	ZAR 27,300,000	Eskom Holdings SOC, Ltd., Zero Coupon, due 12/31/32	1,386,504
				Transnet, Ltd., 13.50%, due 04/18/28	1,941,152
					29,150,656

See accompanying notes to the financial statements.

GMO Emerging Country Debt Fund
(A Series of GMO Trust)
Schedule of Investments — (Continued)
(showing percentage of total net assets)
August 31, 2020 (Unaudited)

Par Value†	Description	Value (\$)	Par Value†	Description	Value (\$)
	Ukraine — continued			United States — continued	
	Foreign Government Obligations — 2.3%			Asset-Backed Securities — continued	
8,585,000	Ukraine Government International Bond, Reg S, 7.75%, due 09/01/24	9,097,417	9,449,580	Morgan Stanley IXIS Real Estate Capital Trust, Series 06-2, Class A4, Variable Rate, 1 mo. LIBOR + 0.22%, 0.40%, due 11/25/36	4,563,838
6,585,000	Ukraine Government International Bond, Reg S, 7.75%, due 09/01/25	6,948,410	4,976,863	Wamu Asset-Backed Certificates, Series 07-HE2, Class 2A4, Variable Rate, 1 mo. LIBOR + 0.36%, 0.54%, due 04/25/37	2,528,733
15,019,000	Ukraine Government International Bond, Reg S, 7.75%, due 09/01/26	15,860,064			15,825,530
3,869,000	Ukraine Government International Bond, Reg S, 7.75%, due 09/01/27	4,072,122			
35,900,000	Ukraine Government International Bond, Reg S, 9.75%, due 11/01/28	41,051,650			
13,900,000	Ukraine Government International Bond, Reg S, 7.38%, due 09/25/32	14,059,850	385,402	AMBAC Assurance Corp., 144A, 5.10%, due 12/31/99	528,001
11,300,000	Ukraine Government International Bond, 144A, 7.25%, due 03/15/33	11,296,469	1,427,198	AMBAC LSNI LLC, 3 mo. LIBOR + 5.00%, 6.00%, due 02/12/23	1,423,630
		102,385,982			1,951,631
	Total Ukraine	131,432,685			
	United Arab Emirates — 1.6%			Corporate Debt — 0.0%	
	Foreign Government Agency — 1.0%				
10,000,000	DP World Plc, Reg S, 6.85%, due 07/02/37	12,715,625	8,000,000	U.S. Treasury Note, 1.63%, due 12/31/21	8,156,562
14,000,000	DP World Plc, Reg S, 4.70%, due 09/30/49	14,630,000	55,000,000	U.S. Treasury Note, 1.75%, due 02/28/22 ^(c)	56,319,141
15,100,000	Finance Department Government of Sharjah, 144A, 4.00%, due 07/28/50	16,138,125	82,000,000	U.S. Treasury Note, 0.13%, due 05/31/22	81,971,172
		43,483,750	2,000,000	U.S. Treasury Note, Variable Rate, USBM + 0.30%, 0.41%, due 10/31/21 ^(c)	2,006,467
					148,453,342
				Total United States	166,230,503
	Foreign Government Obligations — 0.6%			Uruguay — 1.2%	
26,300,000	Abu Dhabi Government International Bond, 144A, 3.13%, due 09/30/49	28,272,500	38,218,000	Uruguay Government International Bond, 5.10%, due 06/18/50	52,872,214
	Total United Arab Emirates	71,756,250			
				Uzbekistan — 0.3%	
	United States — 3.7%			Foreign Government Obligations	
	Asset-Backed Securities — 0.4%				
2,039,672	Countrywide Home Equity Loan Trust, Series 05-F, Class 2A, AMBAC, Variable Rate, 1 mo. LIBOR + 0.24%, 0.40%, due 12/15/35	1,942,738	11,700,000	Republic of Uzbekistan Bond, Reg S, 5.38%, due 02/20/29	13,188,094
971,272	Countrywide Home Equity Loan Trust, Series 05-H, Class 2A, FGIC, Variable Rate, 1 mo. LIBOR + 0.24%, 0.40%, due 12/15/35	947,172			
1,500,224	Countrywide Home Equity Loan Trust, Series 06-D, Class 2A, XLCA, Variable Rate, 1 mo. LIBOR + 0.20%, 0.36%, due 05/15/36	1,399,400			
9,325,244	Morgan Stanley IXIS Real Estate Capital Trust, Series 06-2, Class A3, Variable Rate, 1 mo. LIBOR + 0.15%, 0.33%, due 11/25/36	4,443,649			
				Venezuela — 0.7%	
				Foreign Government Agency — 0.2%	
			111,465,000	Electricidad de Caracas Finance BV, Reg S, 8.50%, due 04/10/49 ^{(c) (d)}	1,114,650
			176,000,000	Petroleos de Venezuela SA, Reg S, 6.00%, due 05/16/24 ^{(c) (d)}	4,840,000
			61,967,000	Petroleos de Venezuela SA, Reg S, 6.00%, due 11/15/26 ^{(c) (d)}	1,704,092
					7,658,742
				Foreign Government Obligations — 0.5%	
			7,000,000	Venezuela Government International Bond, 9.38%, due 01/13/34 ^{(c) (d)}	490,000
			19,028,000	Venezuela Government International Bond, Reg S, 7.75%, due 10/13/19 ^{(c) (d)}	1,331,960

See accompanying notes to the financial statements.

GMO Emerging Country Debt Fund
(A Series of GMO Trust)
Schedule of Investments — (Continued)
(showing percentage of total net assets)
August 31, 2020 (Unaudited)

Par Value†	Description	Value (\$)	Par Value†	Description	Value (\$)
	Venezuela — continued			Kenya — 0.1%	
	Foreign Government Obligations — continued		6,083,333	Republic of Kenya Loan Agreement, 9.17%, due 04/10/25 ^(a)	5,766,372
36,600,000	Venezuela Government International Bond, Reg S, 6.00%, due 12/09/20 ^{(c) (d)}	2,562,000		TOTAL LOAN ASSIGNMENTS (COST \$24,859,111)	23,534,091
23,750,000	Venezuela Government International Bond, Reg S, 12.75%, due 08/23/22 ^{(c) (d)}	1,662,500		LOAN PARTICIPATIONS — 0.9%	
172,793,000	Venezuela Government International Bond, Reg S, 9.00%, due 05/07/23 ^{(c) (d)}	12,095,510		Angola — 0.6%	
68,700,000	Venezuela Government International Bond, Reg S, 11.95%, due 08/05/31 ^{(c) (d)}	4,809,000	12,731,250	Republic of Angola Loan Agreement (Participation with Development Bank of Southern Africa), 6 mo. LIBOR + 6.25%, 6.56%, due 12/13/23 ^(c)	10,821,563
		<u>22,950,970</u>	7,283,938	Republic of Angola Loan Agreement (Participation with Development Bank of Southern Africa), 6 mo. LIBOR + 6.25%, 6.56%, due 12/20/23 ^(c)	6,191,347
	Total Venezuela	<u>30,609,712</u>	12,666,667	Republic of Angola Loan Agreement (Participation with GE Capital EFS Financing, Inc), 7.50%, due 08/30/24 ^(c)	11,653,333
	Vietnam — 0.6%			Total Angola	<u>28,666,243</u>
	Foreign Government Agency — 0.5%			Egypt — 0.0%	
28,058,000	Debt and Asset Trading Corp., Reg S, 1.00%, due 10/10/25	<u>22,376,255</u>	CHF 14,152	Paris Club Loan Agreement (Participation with Standard Chartered Bank), Zero Coupon, due 01/03/24 ^(a)	12,389
	Foreign Government Obligations — 0.1%			Iraq — 0.3%	
6,498,000	Socialist Republic of Vietnam, Series 30 Yr, Variable Rate, 6 mo. LIBOR + 0.81%, 2.63%, due 03/13/28 ^(c)	<u>5,880,690</u>	EUR 839,462	Republic of Iraq Paris Club Loan Agreement (Participation with Credit Suisse), 4.50%, due 12/30/27 ^(a)	652,840
	Total Vietnam	<u>28,256,945</u>	JPY 2,173,530,179	Republic of Iraq Paris Club Loan Agreement (Participation with Deutsche Bank), 2.57%, due 01/01/28 ^(c)	9,206,724
	Zambia — 0.4%		JPY 283,992,408	Republic of Iraq Paris Club Loan Agreement (Participation with Deutsche Bank), 2.57%, due 01/01/28 ^(c)	1,203,016
	Foreign Government Obligations		JPY 120,710,790	Republic of Iraq Paris Club Loan Agreement (Participation with Deutsche Bank), 2.57%, due 01/01/28 ^(c)	509,518
3,600,000	Zambia Government International Bond, Reg S, 5.38%, due 09/20/22	1,876,500		Total Iraq	<u>11,572,098</u>
27,572,000	Zambia Government International Bond, Reg S, 8.97%, due 07/30/27	<u>14,346,056</u>		Russia — 0.0%	
	Total Zambia	<u>16,222,556</u>	EUR 76,893,500	Russian Foreign Trade Obligations (Participation with GML International Ltd.) ^{(c) (d)}	3
	TOTAL DEBT OBLIGATIONS (COST \$4,378,256,330)	<u>4,205,525,760</u>		TOTAL LOAN PARTICIPATIONS (COST \$65,356,303)	<u>40,250,733</u>
	LOAN ASSIGNMENTS — 0.5%				
	Chad — 0.4%				
8,142,416	Glencore UK (Chad) Loan Agreement, Tranche A, Variable Rate, 3 mo. LIBOR + 2.00%, 2.24%, due 09/30/25 ^(c)	5,373,995			
20,774,455	Glencore UK (Chad) Loan Agreement, Tranche B, Variable Rate, 3 mo. LIBOR + 2.25%, 2.49%, due 12/31/27 ^(c)	<u>12,163,443</u>			
	Total Chad	<u>17,537,438</u>			
	Indonesia — 0.0%				
EUR 197,725	Republic of Indonesia, Indonesia Paris Club Debt, 5.10%, due 06/01/21 ^(a)	<u>230,281</u>			

GMO Emerging Country Debt Fund
(A Series of GMO Trust)
Schedule of Investments — (Continued)
(showing percentage of total net assets)
August 31, 2020 (Unaudited)

Shares / Par Value†	Description	Value (\$)
	MUTUAL FUNDS — 1.7%	
	United States — 1.7%	
	Affiliated Issuers — 1.7%	
14,838,144	GMO U.S. Treasury Fund	<u>74,784,247</u>
	TOTAL MUTUAL FUNDS (COST \$74,296,430)	<u>74,784,247</u>
	RIGHTS/WARRANTS — 0.3%	
	Argentina — 0.0%	
EUR 335,089,675	Republic of Argentina GDP Linked, Variable Rate, Expires 12/15/35 ^(f)	599,819
JPY 740,189,000	Republic of Argentina GDP Linked, Variable Rate, Expires 12/15/35 ^{(c) (f)}	<u>35,117</u>
	Total Argentina	<u>634,936</u>
	Nigeria — 0.0%	
28,000	Central Bank of Nigeria Oil Warrants, Reg S, Variable Rate, Expires 11/15/20 ^{(c) (f)}	<u>84,000</u>
	Ukraine — 0.3%	
14,446,000	Government of Ukraine GDP Linked, Reg S, Variable Rate, Expires 05/31/40 ^(f)	<u>13,746,272</u>
	Uruguay — 0.0%	
4,000,000	Banco Central Del Uruguay Value Recovery Rights, Variable Rate, Expires 01/02/21 ^{(a) (f)}	<u>—</u>
	TOTAL RIGHTS/WARRANTS (COST \$49,622,469)	<u>14,465,208</u>

Shares / Par Value†	Description	Value (\$)
	SHORT-TERM INVESTMENTS — 0.3%	
	Money Market Funds — 0.2%	
9,630,738	State Street Institutional Treasury Money Market Fund – Premier Class, 0.03% ^(g)	<u>9,630,738</u>
	U.S. Government — 0.1%	
1,500,000	U.S. Treasury Bill, 0.09%, due 01/31/21 ^{(e) (h)}	<u>1,507,442</u>
	TOTAL SHORT-TERM INVESTMENTS (COST \$11,128,874)	<u>11,138,180</u>
	TOTAL INVESTMENTS — 98.2% (Cost \$4,603,519,517)	4,369,698,219
	Other Assets and Liabilities (net) — 1.8%	<u>80,685,079</u>
	TOTAL NET ASSETS — 100.0%	<u>\$4,450,383,298</u>

A summary of outstanding financial instruments at August 31, 2020 is as follows:

Forward Currency Contracts

Settlement Date	Counter party	Currency Sold	Currency Purchased	Net Unrealized Appreciation (Depreciation) (\$)
10/19/2020	MSCI	EUR 92,161,600	USD 105,660,417	(4,434,200)
10/19/2020	BCLY	GBP 49,311,000	USD 62,307,407	(3,628,195)
09/17/2020	JPM	TRY 84,000,000	USD 11,214,953	(177,246)
10/19/2020	DB	USD 71,988,781	JPY 7,690,000,000	660,940
				<u>\$(7,578,701)</u>

Reverse Repurchase Agreements

Average balance outstanding	\$(10,300,000)
Average interest rate (net)	(0.10)%
Maximum balance outstanding	\$(10,300,000)

Average balance outstanding was calculated based on daily face value balances outstanding during the period that the Fund had entered into reverse repurchase agreements. Average interest rate was calculated based on interest received and/or paid during the period that the Fund had entered into the reverse repurchase agreements. The Fund had no reverse repurchase agreements at the end of the period.

GMO Emerging Country Debt Fund
(A Series of GMO Trust)

Schedule of Investments — (Continued)
August 31, 2020 (Unaudited)

Credit Linked Options

	Principal / Notional Amount	Expiration Date	Description	Premiums Paid/ (Received) (\$)	Value (\$)
Put Sold	USD 45,000,000	01/20/2021	Republic of Philippines Credit Linked Put Option, Fund receives premium of 0.25% (OTC) (CP-DB) ^(a)	(701,250)	57,489
Put Sold	USD 46,000,000	04/13/2021	Lebanon Gap Credit Linked Put Option, Fund receives premium of 0.50% (OTC) (CP-DB) ^(a)	(947,472)	(318,442)
Put Sold	USD 9,746,000	01/24/2024	Republic of Philippines Credit Linked Put Option, Fund receives premium of 0.25% (OTC) (CP-DB) ^(a)	(63,322)	86,477
Put Sold	USD 50,797,000	04/15/2024	Banco do Brasil Credit Linked Put Option, Fund receives premium of 0.30% (OTC) (CP-DB) ^(a)	(1,016,805)	181,750
Put Sold	USD 100,000,000	04/15/2024	Banco do Brasil Credit Linked Put Option, Fund receives premium of 0.44% (OTC) (CP-DB) ^(a)	(3,490,667)	(272,024)
				<u>\$(6,219,516)</u>	<u>\$(264,750)</u>

Swap Contracts

Centrally Cleared Credit Default Swaps

Reference Entity	Notional Amount	Annual Premium	Implied Credit Spread ⁽¹⁾	Maximum Potential Amount of Future Payments by the Fund Under the Contract ⁽²⁾	Expiration Date	Periodic Payment Frequency	Premiums Paid/ (Received) (\$)	Value (\$)	Net Unrealized Appreciation/ (Depreciation) (\$)
Buy Protection[^]: CDX-EMS.31.V1-5Y	USD 140,060,000	1.00%	1.50%	N/A	06/20/2024	Quarterly	<u>\$4,376,875</u>	<u>\$2,588,869</u>	<u>\$(1,788,006)</u>

OTC Credit Default Swaps

Reference Entity	Counter- party	Notional Amount	Annual Premium	Implied Credit Spread ⁽¹⁾	Maximum Potential Amount of Future Payments by the Fund Under the Contract ⁽²⁾	Expiration Date	Periodic Payment Frequency	Premiums Paid/ (Received) (\$)	Value (\$)	Net Unrealized Appreciation/ (Depreciation) (\$)
Buy Protection[^]:										
Commonwealth of Bahamas	DB	EUR 51,746,000	1.00%	6.52%	N/A	12/20/2020	Quarterly	7,730,397	1,038,667	(6,691,730)
Republic of South Africa	CITI	USD 22,400,000	1.00%	1.97%	N/A	06/20/2022	Quarterly	741,653	386,398	(355,255)
Republic of South Africa	GS	USD 3,800,000	1.00%	1.97%	N/A	06/20/2022	Quarterly	213,052	65,550	(147,502)
Petrobras Global Finance BV	CITI	USD 37,000,000	1.00%	2.51%	N/A	06/20/2024	Quarterly	1,923,458	2,014,709	91,251
Commonwealth of Bahamas	DB	EUR 44,558,436	1.00%	6.11%	N/A	06/20/2025	Quarterly	6,171,081	6,519,163	348,082
Republic of South Africa	GS	USD 38,000,000	1.00%	2.90%	N/A	06/20/2025	Quarterly	4,401,764	3,187,615	(1,214,149)
Republic of South Africa	GS	USD 3,800,000	1.00%	2.90%	N/A	06/20/2025	Quarterly	548,468	318,761	(229,707)
Republic of Turkey	CITI	USD 12,000,000	1.00%	5.28%	N/A	06/20/2025	Quarterly	1,834,197	2,105,351	271,154
United States of Mexico	GS	USD 20,000,000	1.00%	1.78%	N/A	06/20/2029	Quarterly	1,589,641	1,233,915	(355,726)
United States of Mexico	GS	USD 20,000,000	1.00%	1.93%	N/A	09/20/2031	Quarterly	2,640,655	1,756,054	(884,601)
Sell Protection[^]:										
Commonwealth of Bahamas	DB	USD 61,270,000	1.00%	6.52%	61,270,000 USD	12/20/2020	Quarterly	(7,515,364)	(1,028,319)	6,487,045
Commonwealth of Bahamas	DB	USD 3,487,000	1.00%	6.31%	3,487,000 USD	06/20/2023	Quarterly	(641,463)	(462,745)	178,718
Commonwealth of Bahamas	DB	USD 6,975,000	1.00%	6.31%	6,975,000 USD	06/20/2023	Quarterly	(1,263,915)	(925,623)	338,292
Commonwealth of Bahamas	DB	USD 59,796,571	1.00%	6.10%	59,796,571 USD	06/20/2025	Quarterly	(6,983,424)	(7,225,877)	(242,453)
Republic of Malaysia	CITI	USD 17,200,000	1.00%	0.76%	17,200,000 USD	12/20/2028	Quarterly	(845,599)	321,665	1,167,264
Republic of Brazil	JPM	USD 10,000,000	1.00%	2.88%	10,000,000 USD	03/20/2030	Quarterly	(1,418,590)	(1,487,418)	(68,828)
								<u>\$ 9,126,011</u>	<u>\$ 7,817,866</u>	<u>\$(1,308,145)</u>

GMO Emerging Country Debt Fund

(A Series of GMO Trust)

Schedule of Investments — (Continued)

August 31, 2020 (Unaudited)

- [^] Buy Protection - Fund pays a premium and buys credit protection. If a credit event occurs the Fund will, depending on the terms of the particular swap contract, either (i) receive from the seller of protection an amount equal to the notional amount of the swap and deliver the referenced obligation or underlying securities comprising the referenced index or (ii) receive a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.
- Sell Protection - Fund receives a premium and sells credit protection. If a credit event occurs the Fund will, depending on the terms of the particular swap contract, either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.
- ⁽¹⁾ As of August 31, 2020, implied credit spreads in absolute terms, calculated using a model, and utilized in determining the market value of credit default swap contracts on the reference security, serve as an indicator of the current status of the payment/performance risk and reflect the likelihood or risk of default for the reference entity. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection. Wider (i.e. higher) credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the contract.
- ⁽²⁾ The maximum potential amount the Fund could be required to pay as a seller of credit protection if a credit event occurs as defined under the terms of that particular swap contract.

OTC Cross-Currency Interest Rate Swaps

<u>Fund Pays</u>	<u>Fund Receives</u>	<u>Counterparty</u>	<u>Notional Amount</u>	<u>Expiration Date</u>	<u>Periodic Payment Frequency</u>	<u>Premiums Paid/ (Received) (\$)</u>	<u>Value (\$)</u>	<u>Net Unrealized Appreciation/ (Depreciation) (\$)</u>
(0.22)%	3 Month USD LIBOR	GS	JPY 14,852,761,000	04/28/2025	Quarterly	\$—	<u>\$ (3,288,928)</u>	<u>\$ (3,288,928)</u>

Centrally Cleared Interest Rate Swaps

<u>Fund Pays</u>	<u>Fund Receives</u>	<u>Notional Amount</u>	<u>Expiration Date</u>	<u>Periodic Payment Frequency</u>	<u>Premiums Paid/ (Received) (\$)</u>	<u>Value (\$)</u>	<u>Net Unrealized Appreciation/ (Depreciation) (\$)</u>
0.53%	6 Month EURIBOR	EUR 30,000,000	01/24/2050	Semi-Annual	(29,167)	(4,379,500)	(4,350,333)
0.18%	GBP — SONIA-COMPOUND	GBP 6,410,000	04/22/2050	Annually	7,914	548,047	540,133
					<u>\$ (21,253)</u>	<u>\$ (3,831,453)</u>	<u>\$ (3,810,200)</u>

As of August 31, 2020, for the above contracts and/or agreements, the Fund had sufficient cash and/or securities to cover commitments or collateral requirements, if any, of the relevant broker or exchange.

Notes to Schedule of Investments:

- [†] Denominated in U.S. Dollar, unless otherwise indicated.
- (a) Investment valued at fair value using methods determined in good faith by the Trustees of GMO Trust or persons acting at their direction pursuant to procedures approved by the Trustees. Investment valued using significant unobservable inputs (Note 2).
- (b) Security is backed by U.S. Treasury Bonds.
- (c) Investment valued using significant unobservable inputs (Note 2).
- (d) Security is in default.
- (e) All or a portion of this security has been pledged to cover margin requirements on futures and/or cleared swap contracts, collateral on OTC swap contracts, forward currency contracts, and/or written options, if any (Note 4).

- (f) Indexed security in which price and/or coupon is linked to the price of a specific instrument or financial statistic (Note 2).
- (g) The rate disclosed is the 7 day net yield as of August 31, 2020.
- (h) The rate shown represents yield-to-maturity.

For a listing of definitions of acronyms, counterparty abbreviations and currency abbreviations used throughout the Schedule of Investments as well as the derivative tables, if any, please refer to page 39.

GMO High Yield Fund
(A Series of GMO Trust)
Investment Concentration Summary
August 31, 2020 (Unaudited)

Asset Class Summary^{&}	% of Total Net Assets
Investment Funds	45.7%
Debt Obligations	33.1
Short-Term Investments	19.1
Swap Contracts	1.0
Futures Contracts	0.0 [^]
Forward Currency Contracts	(0.1)
Other	1.2
	100.0%

Industry Group Summary[□]	% of Investments
Consumer Cyclical	24.6%
Communications	14.8
Consumer Non-Cyclical	13.3
Energy	11.5
Basic Industry	6.3
Finance Companies	6.2
Technology	6.2
Capital Goods	4.5
Transportation	3.7
Electric	1.5
Industrial Other	1.5
REITS	1.4
Banking	0.9
Insurance	0.8
	97.2%

[&] In the table above, derivative financial instruments, if any, are based on market values, rather than the notional amounts of derivatives, except for forward currency contracts which are based on unrealized appreciation/ (depreciation).

[□] The table excludes short-term investments and mutual funds, if any. The table includes exposure through the use of certain derivative financial instruments and excludes exposures through certain currency linked derivatives such as forward currency contracts. The table takes in account the market values of securities and the notional amounts of swaps. The table is not normalized, thus the table may not total to 100%.

[^] Rounds to 0.0%.

GMO High Yield Fund
(A Series of GMO Trust)
Schedule of Investments
(showing percentage of total net assets)
August 31, 2020 (Unaudited)

Par Value†	Description	Value (\$)	Par Value†	Description	Value (\$)
DEBT OBLIGATIONS — 33.1%			Corporate Debt — continued		
Corporate Debt — 33.0%			United States — continued		
Australia — 0.1%			1,125,000	Apache Corp., 5.35%, due 07/01/49	1,085,051
180,000	Adani Abbot Point Terminal Pty Ltd., 144A, 4.45%, due 12/15/22	167,936	750,000	Ascent Resources Utica Holdings LLC / ARU Finance Corp., 144A, 10.00%, due 04/01/22	701,250
Canada — 2.5%			500,000	Avis Budget Car Rental LLC / Avis Budget Finance, Inc., 144A, 10.50%, due 05/15/25	579,610
625,000	Cenovus Energy, Inc., 5.38%, due 07/15/25	635,965	375,000	Buckeye Partners LP, 4.35%, due 10/15/24	373,125
1,000,000	Cenovus Energy, Inc., 5.25%, due 06/15/37	909,347	625,000	Carnival Corp., 144A, 11.50%, due 04/01/23	697,212
1,125,000	Methanex Corp., 5.25%, due 12/15/29	1,134,804	625,000	CDW LLC / CDW Finance Corp., 4.13%, due 05/01/25	651,703
125,000	Mountain Province Diamonds, Inc., 144A, 8.00%, due 12/15/22	91,250	875,000	CenturyLink, Inc., 144A, 4.00%, due 02/15/27	889,114
500,000	Quebecor Media, Inc., 5.75%, due 01/15/23	536,250	625,000	CHS/Community Health Systems, Inc., 6.25%, due 03/31/23	626,562
375,000	Taseko Mines Ltd., 144A, 8.75%, due 06/15/22	345,000	875,000	Cinemark USA, Inc., 5.13%, due 12/15/22	820,312
500,000	Tervita Corp., 144A, 7.63%, due 12/01/21	420,000	375,000	Cleaver-Brooks, Inc., 144A, 7.88%, due 03/01/23	366,563
	Total Canada	4,072,616	1,375,000	Continental Resources, Inc., 3.80%, due 06/01/24	1,355,695
Germany — 0.6%			366,000	Crestwood Midstream Partners LP / Crestwood Midstream Finance Corp., 6.25%, due 04/01/23	360,433
1,000,000	ZF North America Capital, Inc., 144A, 4.75%, due 04/29/25	1,056,375	875,000	CSC Holdings LLC, 6.75%, due 11/15/21	918,750
Luxembourg — 1.0%			250,000	CSC Holdings LLC, 5.88%, due 09/15/22	265,000
500,000	ArcelorMittal SA, 3.60%, due 07/16/24	526,125	1,125,000	Delta Air Lines, Inc., 4.38%, due 04/19/28	1,050,418
875,000	ArcelorMittal SA, 7.25%, due 10/15/39	1,124,375	625,000	DISH DBS Corp., 5.88%, due 07/15/22	659,687
	Total Luxembourg	1,650,500	125,000	Downstream Development Authority of the Quapaw Tribe of Oklahoma, 144A, 10.50%, due 02/15/23	113,750
Netherlands — 0.3%			1,375,000	EQM Midstream Partners LP, 4.75%, due 07/15/23	1,401,139
500,000	OCI NV, 144A, 5.25%, due 11/01/24	513,750	875,000	Fluor Corp., 3.50%, due 12/15/24	683,357
New Zealand — 0.4%			1,250,000	Ford Motor Credit Co. LLC, 4.13%, due 08/04/25	1,256,475
750,000	Trilogy International Partners LLC / Trilogy International Finance, Inc., 144A, 8.88%, due 05/01/22	690,000	980,000	Ford Motor Credit Co. LLC, 4.39%, due 01/08/26	996,974
United Kingdom — 1.6%			2,627,000	Ford Motor Credit Co. LLC, 3.82%, due 11/02/27	2,567,892
500,000	Avon Products, Inc., 7.00%, due 03/15/23	522,500	375,000	Genworth Holdings, Inc., 7.20%, due 02/15/21	379,688
44,000	Global Ship Lease, Inc., 144A, 9.88%, due 11/15/22	43,065	182,000	HC2 Holdings, Inc., 144A, 11.50%, due 12/01/21	169,715
190,000	Jaguar Land Rover Automotive Plc, 144A, 5.63%, due 02/01/23	183,350	250,000	Hillman Group, Inc. (The), 144A, 6.38%, due 07/15/22	245,000
1,125,000	Rolls-Royce Plc, 144A, 3.63%, due 10/14/25	1,088,488	375,000	Iron Mountain, Inc., 144A, REIT, 5.63%, due 07/15/32	403,125
750,000	Virgin Media Secured Finance Plc, 144A, 4.50%, due 08/15/30	789,562	500,000	KB Home, 4.80%, due 11/15/29	541,250
	Total United Kingdom	2,626,965	470,000	Kraft Heinz Foods Co., 3.95%, due 07/15/25	511,197
United States — 26.5%			625,000	Kraft Heinz Foods Co., 144A, 3.88%, due 05/15/27	668,298
125,000	Albertsons Cos, Inc. / Safeway, Inc. / New Albertsons LP / Albertsons LLC, 144A, 3.50%, due 02/15/23	127,813	500,000	Kraft Heinz Foods Co., 6.75%, due 03/15/32	662,202
375,000	Ally Financial, Inc., 5.75%, due 11/20/25	420,949			
1,000,000	Antero Resources Corp., 5.13%, due 12/01/22	868,750			

See accompanying notes to the financial statements.

GMO High Yield Fund
(A Series of GMO Trust)
Schedule of Investments — (Continued)
(showing percentage of total net assets)
August 31, 2020 (Unaudited)

Par Value†	Description	Value (\$)	Par Value† / Shares	Description	Value (\$)
	Corporate Debt — continued			Corporate Debt — continued	
	United States — continued			United States — continued	
696,000	Macy's Retail Holdings LLC, 3.88%, due 01/15/22	636,840	375,000	Veritas US, Inc. / Veritas Bermuda Ltd., 144A, 7.50%, due 02/01/23	375,469
898,000	Macy's Retail Holdings LLC, 2.88%, due 02/15/23	743,095	625,000	Vistra Operations Co. LLC, 144A, 5.50%, due 09/01/26	656,250
1,039,000	Michael Kors USA, Inc., 144A, 4.25%, due 11/01/24	985,834	375,000	Weekley Homes LLC / Weekley Finance Corp., 6.00%, due 02/01/23	374,063
375,000	Netflix, Inc., 4.38%, due 11/15/26	417,266	375,000	Western Midstream Operating LP, 4.00%, due 07/01/22	381,563
625,000	Newell Brands, Inc., 4.70%, due 04/01/26	676,606	500,000	Western Midstream Operating LP, 5.05%, due 02/01/30	512,600
500,000	Occidental Petroleum Corp., 2.90%, due 08/15/24	460,000	1,125,000	Wynn Las Vegas LLC / Wynn Las Vegas Capital Corp., 144A, 4.25%, due 05/30/23	1,103,929
500,000	Occidental Petroleum Corp., 4.30%, due 08/15/39	385,000		Total United States	43,906,403
2,375,000	Occidental Petroleum Corp., 4.40%, due 08/15/49	1,828,750		Total Corporate Debt	54,684,545
375,000	OneMain Finance Corp., 6.63%, due 01/15/28	428,066		U.S. Government — 0.1%	
250,000	OneMain Finance Corp., 7.75%, due 10/01/21	261,875	150,000	U.S. Treasury Note, Variable Rate, USBM + 0.15%, 0.26%, due 01/31/22 ^(a)	150,249
375,000	Prime Security Services Borrower LLC / Prime Finance, Inc., 144A, 5.75%, due 04/15/26	414,375		TOTAL DEBT OBLIGATIONS (COST \$53,113,717)	54,834,794
1,125,000	QVC, Inc., 5.45%, due 08/15/34	1,119,375		INVESTMENT FUNDS — 45.7%	
625,000	RHP Hotel Properties LP / RHP Finance Corp., REIT, 5.00%, due 04/15/23	614,456	USD 889,667	United States — 45.7%	
375,000	Rockies Express Pipeline LLC, 144A, 3.60%, due 05/15/25	368,265		iShares iBoxx \$ High Yield Corporate Bond ETF	75,648,385
525,000	RR Donnelley & Sons Co., 8.25%, due 07/01/27	521,062		TOTAL INVESTMENT FUNDS (COST \$73,114,490)	75,648,385
625,000	Sealed Air Corp., 144A, 5.25%, due 04/01/23	668,875		SHORT-TERM INVESTMENTS — 19.1%	
500,000	Service Corp. International, 5.13%, due 06/01/29	553,935	JPY 1,500,000,000	Foreign Government Obligations — 8.5%	
500,000	Service Properties Trust, REIT, 4.50%, due 03/15/25	467,500		Japan Treasury Discount Bill, Zero Coupon, due 10/05/20	14,163,427
1,125,000	Service Properties Trust, REIT, 4.38%, due 02/15/30	973,125		Money Market Funds — 0.9%	
625,000	Southwestern Energy Co., 6.45%, due 01/23/25	627,837	1,466,462	State Street Institutional Treasury Money Market Fund – Premier Class, 0.03% ^(b)	1,466,462
1,000,000	Spirit AeroSystems, Inc., 3.85%, due 06/15/26	937,500	5,000,000	U.S. Government — 9.7%	
625,000	Targa Resources Partners LP / Targa Resources Partners Finance Corp., 5.00%, due 01/15/28	638,925	11,000,000	U.S. Treasury Bill, 0.12%, due 01/14/21 ^{(a) (c)}	4,997,821
875,000	Tenet Healthcare Corp., 8.13%, due 04/01/22	944,562		U.S. Treasury Bill, 0.11%, due 02/11/21 ^(c)	10,994,708
375,000	Toll Brothers Finance Corp., 5.88%, due 02/15/22	390,938		Total U.S. Government	15,992,529
250,000	Uniti Group LP / Uniti Group Finance, Inc. / CSL Capital LLC, 144A, REIT, 6.00%, due 04/15/23	252,563		TOTAL SHORT-TERM INVESTMENTS (COST \$31,428,655)	31,622,418
625,000	Urban One, Inc., 144A, 7.38%, due 04/15/22	562,500		TOTAL INVESTMENTS — 97.9%	
250,000	Vericast Corp., 144A, 8.38%, due 08/15/22	205,345		(Cost \$157,656,862)	162,105,597
				Other Assets and Liabilities (net) — 2.1%	3,561,404
				TOTAL NET ASSETS — 100.0%	\$165,667,001

GMO High Yield Fund
(A Series of GMO Trust)

Schedule of Investments — (Continued)
August 31, 2020 (Unaudited)

A summary of outstanding financial instruments at August 31, 2020 is as follows:

				Number of	Type	Expiration	Notional	Value/Net	
				Contracts +		Date	Amount (\$)	Unrealized	
								(Depreciation) (\$)	
Forward Currency Contracts									
				Sales					
			Net Unrealized Appreciation (Depreciation) (\$)	7	U.S. Long Bond (CBT)	December 2020	1,230,031	4,413	
Settlement Date	Counter-party	Currency Sold	Currency Purchased	49	U.S. Treasury Note 10 Yr. (CBT)	December 2020	6,823,250	(5,363)	
10/05/2020	DB	JPY 1,500,000,000	USD 13,966,415	11	U.S. Ultra Bond (CBT)	December 2020	2,429,969	12,737	
							<u>\$10,483,250</u>	<u>\$11,787</u>	

Futures Contracts

Number of	Type	Expiration	Notional	Value/Net
Contracts +		Date	Amount (\$)	Unrealized
				(Depreciation)
				(\$)
Buys				
28	U.S. Treasury Note 2 Yr. (CBT)	December 2020	6,186,469	3,468
51	U.S. Treasury Note 5 Yr. (CBT)	December 2020	6,427,594	8,666
34	U.S. Treasury Note 10 Yr. (CBT)	December 2020	4,734,500	11,113
			<u>\$17,348,563</u>	<u>\$23,247</u>

+ Buys - Fund is long the futures contract.
Sales - Fund is short the futures contract.

Reverse Repurchase Agreements

Average balance outstanding	\$(743,429)
Average interest rate (net)	(0.21)%
Maximum balance outstanding	\$(898,268)

Average balance outstanding was calculated based on daily face value balances outstanding during the period that the Fund had entered into reverse repurchase agreements. Average interest rate was calculated based on interest received and/or paid during the period that the Fund had entered into the reverse repurchase agreements. The Fund had no reverse repurchase agreements at the end of the period.

Swap Contracts

Centrally Cleared Credit Default Swaps

Reference Entity	Notional Amount	Annual Premium	Implied Credit Spread ⁽¹⁾	Maximum Potential Amount of Future Payments by the Fund Under the Contract ⁽²⁾	Expiration Date	Periodic Payment Frequency	Premiums Paid/ (Received) (\$)	Value (\$)	Net Unrealized Appreciation/ (Depreciation) (\$)
Sell Protection[^]: CDX.NA.HYS.34.V7-5Y	USD 29,325,690	5.00%	3.66%	29,325,690 USD	06/20/2025	Quarterly	<u>\$43,723</u>	<u>\$1,676,579</u>	<u>\$1,632,856</u>

[^] Buy Protection - Fund pays a premium and buys credit protection. If a credit event occurs the Fund will, depending on the terms of the particular swap contract, either (i) receive from the seller of protection an amount equal to the notional amount of the swap and deliver the referenced obligation or underlying securities comprising the referenced index or (ii) receive a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

Sell Protection - Fund receives a premium and sells credit protection. If a credit event occurs the Fund will, depending on the terms of the particular swap contract, either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising

GMO High Yield Fund (A Series of GMO Trust)

Schedule of Investments — (Continued) August 31, 2020 (Unaudited)

the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

- (1) As of August 31, 2020, implied credit spreads in absolute terms, calculated using a model, and utilized in determining the market value of credit default swap contracts on the reference security, serve as an indicator of the current status of the payment/performance risk and reflect the likelihood or risk of default for the reference entity. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection. Wider (i.e. higher) credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the contract.
- (2) The maximum potential amount the Fund could be required to pay as a seller of credit protection if a credit event occurs as defined under the terms of that particular swap contract.

As of August 31, 2020, for the above contracts and/or agreements, the Fund had sufficient cash and/or securities to cover commitments or collateral requirements, if any, of the relevant broker or exchange.

Notes to Schedule of Investments:

- † Denominated in U.S. Dollar, unless otherwise indicated.
- (a) All or a portion of this security has been pledged to cover margin requirements on futures and/or cleared swap contracts, collateral on OTC swap contracts, forward currency contracts, and/or written options, if any (Note 4).
- (b) The rate disclosed is the 7 day net yield as of August 31, 2020.
- (c) The rate shown represents yield-to-maturity.

For a listing of definitions of acronyms, counterparty abbreviations and currency abbreviations used throughout the Schedule of Investments as well as the derivative tables, if any, please refer to page 39

GMO Multi-Sector Fixed Income Fund (formerly GMO Core Plus Bond Fund)

(A Series of GMO Trust)

Investment Concentration Summary

August 31, 2020 (Unaudited)

Asset Class Summary†	% of Total Net Assets
Debt Obligations	61.7%
Short-Term Investments	29.9
Investment Funds	18.0
Mutual Funds	3.4
Swap Contracts	0.5
Loan Participations	0.0^
Futures Contracts	0.0^
Loan Assignments	0.0^
Rights/Warrants	0.0^
Purchased Options	0.0^
Written Options/Credit Linked Options	(0.0)^
Forward Currency Contracts	(0.2)
Other	(13.3)
	100.0%

Country/Region Summary‡	% of Investments
United States	87.0%
Canada	11.0
Switzerland	9.1
Sweden	5.7
Other Emerging	4.8*
Australia	3.8
Japan	0.1
United Kingdom	(1.5)
New Zealand	(3.0)
Euro Region	(17.0)§
	100.0%

† The table incorporates aggregate indirect asset class exposure associated with investments in other funds of GMO Trust (“underlying funds”). Derivative financial instruments, if any, are based on market values, rather than the notional amounts of derivatives, except for forward currency contracts which are based on unrealized appreciation/(depreciation).

‡ The table incorporates aggregate indirect country exposure associated with investments in the underlying funds. The table is normalized to 100%, therefore the absolute exposure presented for each country may not be representative of the true exposure of the Fund. The table excludes short-term investments. The table includes exposure through the use of certain derivative financial instruments and excludes exposure through certain currency linked derivatives such as forward currency contracts and currency options. The table is based on duration adjusted net exposures (both investments and derivatives), taking into account the market value of securities and the notional amounts of swaps and other derivative financial instruments. For example, U.S. asset-backed securities may represent a relatively small percentage due to their short duration, even though they represent a large percentage of market value (direct and indirect). Duration is based on GMO’s models. The greater the duration of a bond, the greater its contribution to the concentration percentage. Credit default swap exposures are factored into the duration adjusted exposure using the reference security and applying the same methodology to that security.

* “Other Emerging” is comprised of emerging countries that each represent between (1.0)% and 1.0% of Investments.

§ “Euro Region” is comprised of derivative financial instruments attributed to the Eurozone and not a particular country.

^ Rounds to 0.0%.

GMO Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)
(A Series of GMO Trust)

Schedule of Investments — (Continued)
August 31, 2020 (Unaudited)

A summary of outstanding financial instruments at August 31, 2020 is as follows:

Forward Currency Contracts

Settlement Date	Counter-party	Currency Sold	Currency Purchased	Net Unrealized Appreciation (Depreciation) (\$)
10/06/2020	JPM	AUD 8,410,000	USD 6,076,990	(126,533)
10/06/2020	MSCI	AUD 14,096,000	USD 10,041,173	(356,553)
09/03/2020	JPM	CAD 1,909,422	USD 1,410,000	(53,897)
09/03/2020	MSCI	CAD 5,159,912	USD 3,790,000	(165,952)
10/01/2020	DB	CAD 13,400,000	USD 9,995,293	(278,968)
10/14/2020	MSCI	CHF 14,730,189	USD 16,150,283	(165,395)
09/01/2020	DB	CLP 352,479,600	USD 451,943	(1,413)
09/01/2020	JPM	CLP 2,896,938,400	USD 3,598,575	(127,439)
09/01/2020	MSCI	CLP 1,267,259,000	USD 1,611,442	(18,493)
11/02/2020	JPM	CLP 205,784,900	USD 262,950	(1,813)
11/03/2020	JPM	COP 9,359,361,500	USD 2,490,616	(1,227)
09/03/2020	MSCI	EUR 2,150,000	USD 2,434,536	(131,220)
10/14/2020	JPM	GBP 4,679,000	USD 6,127,834	(128,513)
10/14/2020	BOA	HUF 112,678,930	USD 380,000	1,903
10/14/2020	MSCI	HUF 580,996,591	USD 1,853,377	(96,170)
10/26/2020	BCLY	INR 70,412,348	USD 934,371	(20,641)
09/09/2020	DB	JPY 235,801,280	USD 2,200,000	(26,479)
09/09/2020	JPM	JPY 270,619,401	USD 2,530,000	(25,238)
09/09/2020	MSCI	JPY 238,179,914	USD 2,260,000	11,061
09/14/2020	DB	JPY 3,750,000,000	USD 34,974,459	(436,391)
09/28/2020	MSCI	JPY 3,300,000,000	USD 30,746,978	(421,127)
10/26/2020	DB	JPY 1,900,000,000	USD 17,903,584	(47,729)
09/29/2020	BCLY	KRW 1,148,077,700	USD 960,000	(6,710)
09/29/2020	CITI	KRW 442,871,500	USD 370,000	(2,909)
09/29/2020	JPM	KRW 524,955,200	USD 440,000	(2,025)
09/29/2020	MSCI	KRW 1,703,854,260	USD 1,430,000	(4,687)
09/04/2020	JPM	NOK 53,707,670	USD 5,948,124	(200,054)
10/20/2020	JPM	NOK 12,773,819	USD 1,450,000	(12,677)
10/05/2020	JPM	NZD 5,340,000	USD 3,531,672	(65,176)
11/03/2020	MSCI	PEN 1,900,395	USD 540,822	4,659
09/01/2020	BCLY	PHP 14,007,560	USD 280,000	(8,905)
09/01/2020	CITI	PHP 9,063,900	USD 180,000	(6,942)
09/01/2020	JPM	PHP 18,817,830	USD 370,000	(18,117)
09/01/2020	MSCI	PHP 41,889,290	USD 863,750	(213)
10/01/2020	MSCI	PHP 27,306,500	USD 561,250	(1,307)
09/15/2020	JPM	PLN 9,686,455	USD 2,462,522	(167,797)
10/15/2020	BCLY	RUB 176,898,180	USD 2,465,490	93,979
10/05/2020	BCLY	SEK 9,589,067	USD 1,100,000	(9,020)
10/19/2020	BCLY	SGD 450,145	USD 330,000	(866)
10/19/2020	MSCI	SGD 451,328	USD 330,000	(1,735)
10/15/2020	BCLY	THB 44,278,143	USD 1,400,000	(22,481)
10/15/2020	BOA	THB 10,403,217	USD 330,000	(4,214)
09/17/2020	JPM	TRY 5,115,427	USD 682,968	(10,794)
10/06/2020	BCLY	TWD 18,947,800	USD 650,000	3,633
10/06/2020	JPM	TWD 11,382,540	USD 390,000	1,707
11/04/2020	MSCI	USD 1,512,412	BRL 7,772,435	(96,397)
09/03/2020	GS	USD 1,140,000	CAD 1,523,448	27,983
09/03/2020	JPM	USD 13,370,000	CAD 17,894,606	349,266
09/03/2020	MSCI	USD 6,197,657	CAD 8,461,833	289,780
10/14/2020	JPM	USD 1,670,000	CHF 1,515,017	8,086
09/01/2020	DB	USD 460,000	CLP 352,479,600	(6,644)
09/01/2020	JPM	USD 3,705,003	CLP 2,896,938,400	21,011
09/01/2020	MSCI	USD 1,633,416	CLP 1,267,259,000	(3,480)
10/19/2020	BOA	USD 620,000	CZK 13,660,158	750
09/03/2020	DB	USD 2,413,416	EUR 2,150,000	152,339
10/27/2020	BOA	USD 1,084,028	EUR 929,000	25,923
10/27/2020	JPM	USD 5,920,365	EUR 5,020,000	77,435
10/27/2020	MSCI	USD 2,102,055	EUR 1,760,000	760
10/14/2020	JPM	USD 3,627,284	GBP 2,750,000	49,774
10/14/2020	BCLY	USD 240,000	HUF 69,888,240	(5,488)

Settlement Date	Counter-party	Currency Sold	Currency Purchased	Net Unrealized Appreciation (Depreciation) (\$)
10/14/2020	CITI	USD 820,000	HUF 240,765,978	(12,104)
10/14/2020	MSCI	USD 200,000	HUF 58,441,920	(3,897)
09/21/2020	JPM	USD 860,741	IDR 12,753,596,000	12,693
09/21/2020	MSCI	USD 300,000	IDR 4,440,660,000	4,120
10/30/2020	JPM	USD 1,462,056	ILS 4,925,594	7,520
10/26/2020	BCLY	USD 410,000	INR 30,885,710	8,907
10/26/2020	JPM	USD 710,000	INR 53,347,270	13,556
09/09/2020	CITI	USD 160,000	JPY 17,377,701	4,083
09/09/2020	GS	USD 1,450,000	JPY 153,948,820	3,613
09/09/2020	JPM	USD 16,111,064	JPY 1,764,251,753	547,326
09/29/2020	MSCI	USD 1,366,211	KRW 1,641,885,000	16,297
10/21/2020	JPM	USD 359,882	MXN 8,007,702	3,892
09/04/2020	JPM	USD 5,638,704	NOK 53,707,670	509,474
10/05/2020	BCLY	USD 119,936	NZD 180,000	1,306
10/05/2020	JPM	USD 6,681,333	NZD 10,160,000	162,107
09/01/2020	BCLY	USD 288,834	PHP 14,007,560	71
09/01/2020	CITI	USD 186,896	PHP 9,063,900	46
09/01/2020	JPM	USD 388,021	PHP 18,817,830	96
09/01/2020	MSCI	USD 847,915	PHP 41,889,290	16,048
09/15/2020	BOA	USD 970,000	PLN 3,623,157	13,854
09/15/2020	CITI	USD 2,470,857	PLN 9,506,749	110,665
09/15/2020	DB	USD 1,230,000	PLN 4,577,146	12,907
09/15/2020	JPM	USD 29,143	PLN 111,096	1,024
09/30/2020	BCLY	USD 210,000	RON 861,710	2,172
09/30/2020	BOA	USD 211,530	RON 918,178	14,546
09/30/2020	CITI	USD 180,000	RON 736,901	1,441
10/15/2020	BCLY	USD 1,090,000	RUB 81,104,516	(2,707)
10/15/2020	CITI	USD 280,000	RUB 20,557,292	(4,407)
10/05/2020	JPM	USD 15,010,417	SEK 130,620,649	96,471
10/15/2020	BCLY	USD 420,000	THB 13,086,108	405
10/15/2020	JPM	USD 216,548	THB 6,794,634	1,736
10/06/2020	JPM	USD 440,000	TWD 12,872,640	(875)
10/06/2020	MSCI	USD 1,473,031	TWD 42,813,660	(12,527)
10/30/2020	JPM	USD 2,471,211	ZAR 41,180,503	(56,775)
				<u>\$(696,696)</u>

Futures Contracts

Number of Contracts +	Type	Expiration Date	Notional Amount (\$)	Value/Net Unrealized Appreciation (Depreciation) (\$)
Buys				
24	U.S. Long Bond (CBT)	December 2020	4,217,250	(4,498)
74	U.S. Treasury Note 2 Yr. (CBT)	December 2020	16,349,953	8,776
451	U.S. Treasury Note 5 Yr. (CBT)	December 2020	56,840,094	78,848
71	U.S. Treasury Note 10 Yr. (CBT)	December 2020	9,886,750	23,207
105	U.S. Treasury Ultra 10 Yr. (CBT)	December 2020	16,740,938	35,960
25	U.S. Ultra Bond (CBT)	December 2020	<u>5,522,656</u>	<u>(8,852)</u>
			<u>\$109,557,641</u>	<u>\$133,441</u>

GMO Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)
(A Series of GMO Trust)

Schedule of Investments — (Continued)
August 31, 2020 (Unaudited)

Number of Contracts +	Type	Expiration Date	Notional Amount (\$)	Value/Net Unrealized Appreciation (Depreciation) (\$)
Sales				
6	Canadian Government Bond 10 Yr.	December 2020	\$694,323	\$2,014

+ Buys - Fund is long the futures contract.
Sales - Fund is short the futures contract.

Swap Contracts

Centrally Cleared Interest Rate Swaps

Fund Pays	Fund Receives	Notional Amount	Expiration Date	Periodic Payment Frequency	Premiums Paid/ (Received) (\$)	Value (\$)	Net Unrealized Appreciation/ (Depreciation) (\$)
3 Month AUD BBSW (0.68)%	0.19%	AUD 20,020,000	09/16/2022	Quarterly	2,385	9,366	6,981
6 Month CHF LIBOR (0.63)%	6 Month CHF LIBOR	CHF 26,550,000	09/16/2022	Semi-Annually	—	21,760	21,760
6 Month CHF LIBOR (0.65)%	(0.63)%	CHF 4,950,000	09/16/2022	Semi-Annually	354	928	574
6 Month CHF LIBOR (0.03)%	(0.65)%	CHF 3,650,000	09/16/2022	Semi-Annually	—	(745)	(745)
3 Month NZD Bank Bill Rate 0.21%	0.09%	NZD 8,550,000	09/16/2022	Quarterly	—	2,472	2,472
0.19%	3 Month NZD Bank Bill Rate	NZD 24,350,000	09/16/2022	Quarterly	—	(47,212)	(47,212)
(0.04)%	3 Month NZD Bank Bill Rate	NZD 12,500,000	09/16/2022	Quarterly	—	(19,607)	(19,607)
(0.03)%	3 Month SEK STIBOR	SEK 218,800,000	09/16/2022	Quarterly	—	7,453	7,453
(0.03)%	3 Month SEK STIBOR	SEK 220,000,000	09/16/2022	Quarterly	—	2,909	2,909
3 Month SEK STIBOR (0.02)%	0.02%	SEK 444,700,000	09/16/2022	Quarterly	3,799	5,366	1,567
0.56%	3 Month SEK STIBOR	SEK 108,200,000	09/16/2022	Quarterly	—	8,840	8,840
6 Month EURIBOR (0.44)%	3 Month SEK STIBOR	SEK 55,050,000	09/16/2022	Quarterly	—	(674)	(674)
6 Month GBP LIBOR 0.10%	3 Month CAD LIBOR	CAD 45,600,000	09/19/2022	Semi-Annually	4,390	(8,348)	(12,738)
6 Month GBP LIBOR 0.12%	(0.44)%	EUR 3,350,000	09/21/2022	Semi-Annually	(431)	(638)	(207)
3 Month USD LIBOR 0.84%	0.10%	GBP 32,870,000	09/21/2022	Semi-Annually	(4,350)	(6,241)	(1,891)
0.82%	0.10%	GBP 42,190,000	09/21/2022	Semi-Annually	4,791	(12,554)	(17,345)
6 Month AUD BBSW 0.90%	6 Month GBP LIBOR	GBP 7,980,000	09/21/2022	Semi-Annually	(353)	(1,922)	(1,569)
6 Month AUD BBSW 0.83%	0.21%	USD 61,990,000	09/21/2022	Quarterly	5,770	(4,174)	(9,944)
6 Month AUD BBSW 0.83%	6 Month AUD BBSW	AUD 8,970,000	09/16/2030	Semi-Annually	(18,221)	41,666	59,887
6 Month AUD BBSW 0.81%	6 Month AUD BBSW	AUD 4,140,000	09/16/2030	Semi-Annually	(6,567)	23,841	30,408
3 Month CAD LIBOR 1.07%	0.90%	AUD 3,390,000	09/16/2030	Semi-Annually	—	816	816
3 Month CAD LIBOR 1.06%	0.83%	AUD 12,290,000	09/16/2030	Semi-Annually	(4,284)	(61,502)	(57,218)
3 Month CAD LIBOR 0.98%	0.83%	AUD 7,830,000	09/16/2030	Semi-Annually	2,171	(40,309)	(42,480)
3 Month CAD LIBOR 1.00%	0.81%	AUD 5,690,000	09/16/2030	Semi-Annually	—	(38,491)	(38,491)
3 Month CAD LIBOR 1.08%	1.07%	CAD 6,520,000	09/16/2030	Semi-Annually	(2,116)	(20,250)	(18,134)
3 Month CAD LIBOR 1.14%	1.06%	CAD 4,110,000	09/16/2030	Semi-Annually	—	(17,037)	(17,037)
0.93%	0.98%	CAD 7,990,000	09/16/2030	Semi-Annually	(6,383)	(83,538)	(77,155)
(0.19)%	1.00%	CAD 19,160,000	09/16/2030	Semi-Annually	54,289	(164,764)	(219,053)
6 Month CHF LIBOR (0.33)%	1.08%	CAD 1,500,000	09/16/2030	Semi-Annually	—	(3,879)	(3,879)
6 Month CHF LIBOR (0.19)%	1.14%	CAD 31,480,000	09/16/2030	Semi-Annually	1,346	56,466	55,120
6 Month CHF LIBOR (0.21)%	3 Month CAD LIBOR	CAD 4,940,000	09/16/2030	Semi-Annually	—	69,619	69,619
6 Month CHF LIBOR (0.32)%	6 Month CHF LIBOR	CHF 2,080,000	09/16/2030	Semi-Annually	—	(9,252)	(9,252)
6 Month CHF LIBOR (0.25)%	(0.33)%	CHF 5,250,000	09/16/2030	Semi-Annually	—	(60,060)	(60,060)
3 Month NZD Bank Bill Rate 0.64%	(0.19)%	CHF 11,940,000	09/16/2030	Semi-Annually	—	40,917	40,917
0.61%	(0.21)%	CHF 21,650,000	09/16/2030	Semi-Annually	(6,280)	32,423	38,703
0.59%	6 Month CHF LIBOR	CHF 720,000	09/16/2030	Semi-Annually	—	8,032	8,032
3 Month NZD Bank Bill Rate 0.71%	6 Month CHF LIBOR	CHF 990,000	09/16/2030	Semi-Annually	204	2,337	2,133
3 Month NZD Bank Bill Rate 0.52%	0.74%	NZD 4,375,000	09/16/2030	Quarterly	39,260	36,305	(2,955)
	3 Month NZD Bank Bill Rate	NZD 3,840,000	09/16/2030	Quarterly	—	(6,319)	(6,319)
	3 Month NZD Bank Bill Rate	NZD 1,740,000	09/16/2030	Quarterly	—	1,073	1,073
	3 Month NZD Bank Bill Rate	NZD 5,620,000	09/16/2030	Quarterly	(1,131)	11,317	12,448
	0.71%	NZD 5,000,000	09/16/2030	Quarterly	—	30,348	30,348
	0.64%	NZD 2,570,000	09/16/2030	Quarterly	—	4,229	4,229
	3 Month NZD Bank Bill Rate	NZD 12,460,000	09/16/2030	Quarterly	27,447	81,458	54,011

GMO Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)
(A Series of GMO Trust)

Schedule of Investments — (Continued)
August 31, 2020 (Unaudited)

Centrally Cleared Interest Rate Swaps — continued

Fund Pays	Fund Receives	Notional Amount	Expiration Date	Periodic Payment Frequency	Premiums Paid/ (Received) (\$)	Value (\$)	Net Unrealized Appreciation/ (Depreciation) (\$)
3 Month SEK STIBOR	0.32%	SEK 11,900,000	09/16/2030	Quarterly	—	(11,953)	(11,953)
3 Month SEK STIBOR	0.28%	SEK 44,200,000	09/16/2030	Quarterly	—	(66,685)	(66,685)
3 Month SEK STIBOR	0.28%	SEK 44,350,000	09/16/2030	Quarterly	—	(64,116)	(64,116)
3 Month SEK STIBOR	0.29%	SEK 89,950,000	09/16/2030	Quarterly	—	(124,370)	(124,370)
3 Month SEK STIBOR	0.37%	SEK 11,200,000	09/16/2030	Quarterly	—	(5,474)	(5,474)
0.34%	3 Month SEK STIBOR	SEK 23,000,000	09/16/2030	Quarterly	(1,656)	18,358	20,014
0.32%	3 Month SEK STIBOR	SEK 22,000,000	09/16/2030	Quarterly	—	22,098	22,098
0.36%	3 Month SEK STIBOR	SEK 21,700,000	09/16/2030	Quarterly	2,460	11,849	9,389
3 Month SEK STIBOR	0.49%	SEK 95,500,000	09/16/2030	Quarterly	—	91,233	91,233
3 Month SEK STIBOR	0.51%	SEK 127,520,000	09/16/2030	Quarterly	(11,056)	149,590	160,646
6 Month EURIBOR	(0.25)%	EUR 960,000	09/18/2030	Semi-Annually	—	(13,199)	(13,199)
(0.19)%	6 Month EURIBOR	EUR 22,700,000	09/18/2030	Semi-Annually	3,831	142,429	138,598
(0.20)%	6 Month EURIBOR	EUR 32,940,000	09/18/2030	Semi-Annually	28,957	259,148	230,191
(0.20)%	6 Month EURIBOR	EUR 670,000	09/18/2030	Semi-Annually	(185)	4,861	5,046
0.32%	6 Month GBP LIBOR	GBP 3,950,000	09/18/2030	Semi-Annually	—	75,486	75,486
0.30%	6 Month GBP LIBOR	GBP 12,010,000	09/18/2030	Semi-Annually	27,130	262,269	235,139
6 Month GBP LIBOR	0.31%	GBP 1,720,000	09/18/2030	Semi-Annually	—	(35,730)	(35,730)
6 Month GBP LIBOR	0.28%	GBP 1,050,000	09/18/2030	Semi-Annually	—	(26,282)	(26,282)
6 Month GBP LIBOR	0.30%	GBP 1,990,000	09/18/2030	Semi-Annually	—	(42,265)	(42,265)
6 Month GBP LIBOR	0.41%	GBP 2,770,000	09/18/2030	Semi-Annually	(7,307)	(21,612)	(14,305)
6 Month GBP LIBOR	0.45%	GBP 1,620,000	09/18/2030	Semi-Annually	694	(3,049)	(3,743)
0.32%	6 Month GBP LIBOR	GBP 11,270,000	09/18/2030	Semi-Annually	7,948	211,625	203,677
0.60%	3 Month USD LIBOR	USD 11,260,000	09/18/2030	Quarterly	(17,204)	119,575	136,779
0.61%	3 Month USD LIBOR	USD 26,350,000	09/18/2030	Quarterly	(71,507)	253,846	325,353
0.70%	3 Month USD LIBOR	USD 1,450,000	09/18/2030	Quarterly	(45)	1,105	1,150
3 Month USD LIBOR	0.53%	USD 1,300,000	09/18/2030	Quarterly	—	(22,969)	(22,969)
3 Month USD LIBOR	0.63%	USD 3,850,000	09/18/2030	Quarterly	—	(30,258)	(30,258)
3 Month USD LIBOR	0.68%	USD 1,500,000	09/18/2030	Quarterly	40	(3,434)	(3,474)
					<u>\$ 58,190</u>	<u>\$1,044,501</u>	<u>\$ 986,311</u>

As of August 31, 2020, for the above contracts and/or agreements, the Fund had sufficient cash and/or securities to cover commitments or collateral requirements, if any, of the relevant broker or exchange.

Notes to Schedule of Investments:

- † Denominated in U.S. Dollar, unless otherwise indicated.
- (a) All or a portion of this security has been pledged to cover margin requirements on futures and/or cleared swap contracts, collateral on OTC swap contracts, forward currency contracts, and/or written options, if any (Note 4).
- (b) The rate disclosed is the 7 day net yield as of August 31, 2020.

For a listing of definitions of acronyms, counterparty abbreviations and currency abbreviations used throughout the Schedule of Investments as well as the derivative tables, if any, please refer to page 39.

GMO Opportunistic Income Fund

(A Series of GMO Trust)

Investment Concentration Summary

August 31, 2020 (Unaudited)

<u>Asset Class Summary</u> ^{&}	<u>% of Total Net Assets</u>
Debt Obligations	81.4%
Short-Term Investments	14.6
Mutual Funds	1.3
Swap Contracts	1.3
Purchased Options	0.0 [^]
Forward Currency Contracts	0.0 [^]
Futures Contracts	0.0 [^]
Written Options	0.0 [^]
Other	1.4
	<u><u>100.0%</u></u>

<u>Industry Sector Summary</u>	<u>% of Debt Obligations</u>
Collateralized Loan Obligations	19.2%
Commercial Mortgage-Backed Securities	18.4
Student Loans – Private	17.7
Residential Mortgage-Backed Securities – Other	12.1
Small Balance Commercial Mortgages	11.8
Residential Mortgage-Backed Securities – Prime	6.8
Student Loans – Federal Family Education Loan Program	6.8
Residential Mortgage-Backed Securities – Subprime	3.1
U.S. Government Agency	1.6
Residential Mortgage-Backed Securities – Alt-A	1.4
CMBS Collateralized Debt Obligations	0.9
U.S. Government	0.2
Auto Retail Subprime	0.0 [^]
Time Share	0.0 [^]
	<u><u>100.0%</u></u>

& In the table, derivative financial instruments, if any, are based on market values, rather than the notional amounts of derivatives, except for forward currency contracts which are based on unrealized appreciation/(depreciation).

[^] Rounds to 0.0%.

GMO Opportunistic Income Fund
(A Series of GMO Trust)
Schedule of Investments
(showing percentage of total net assets)
August 31, 2020 (Unaudited)

Par Value†	Description	Value (\$)	Par Value†	Description	Value (\$)
	DEBT OBLIGATIONS — 81.4%			Asset-Backed Securities — continued	
	Asset-Backed Securities — 79.9%			Collateralized Loan Obligations — continued	
	Auto Retail Subprime — 0.0%		1,465,400	Madison Park Funding XII Ltd., Series 14-12A, Class CR, 144A, Variable Rate, 3 mo. LIBOR + 2.35%, 2.62%, due 07/20/26	1,465,464
252,148	CPS Auto Receivables Trust, Series 15-C, Class D, 144A, 4.63%, due 08/16/21	253,812	15,030,900	Mountain View CLO Ltd., Series 15-9A, Class A1R, 144A, Variable Rate, 3 mo. LIBOR + 1.12%, 1.40%, due 07/15/31	14,700,235
	CMBS Collateralized Debt Obligations — 0.7%		3,906,000	Northwoods Capital XVII Ltd., Series 18-17A, Class A, 144A, Variable Rate, 3 mo. LIBOR + 1.06%, 1.32%, due 04/22/31	3,828,099
719,315	ARCap 2005-1 Resecuritization Trust, Series 05-1A, Class A, 144A, 5.45%, due 12/21/42	719,891	2,003,158	Saranac CLO III Ltd, Series 14-3A, Class ALR, 144A, Variable Rate, 3 mo. LIBOR + 1.60%, 1.91%, due 06/22/30	1,998,394
8,586,000	ARCap 2005-1 Resecuritization Trust, Series 05-1A, Class B, 144A, 5.55%, due 12/21/42	3,477,330	7,880,500	Saratoga Investment Corp. CLO Ltd., Series 13-1A, Class BR2, 144A, Variable Rate, 3 mo. LIBOR + 2.30%, 2.57%, due 01/20/30	7,881,067
370,553	Capitalsource Real Estate Loan Trust, Series 06-1A, Class B, 144A, Variable Rate, 3 mo. LIBOR + 0.39%, 2.24%, due 01/20/37 ^(a)	364,995	2,845,600	Shackleton CLO Ltd., Series 13-4RA, Class A1A, 144A, Variable Rate, 3 mo. LIBOR + 1.00%, 1.27%, due 04/13/31	2,790,330
1,714,150	GS Mortgage Securities Corp., Series 06-CC1, Class A, 144A, Variable Rate, 5.33%, due 03/21/46	1,623,985	11,974,000	Sound Point CLO II Ltd., Series 13-1A, Class A1R, 144A, Variable Rate, 3 mo. LIBOR + 1.07%, 1.31%, due 01/26/31	11,794,558
	Total CMBS Collateralized Debt Obligations	6,186,201	6,235,025	Sound Point CLO XIX Ltd., Series 18-1A, Class A, 144A, Variable Rate, 3 mo. LIBOR + 1.00%, 1.28%, due 04/15/31	6,114,477
	Collateralized Loan Obligations — 15.6%		4,993,200	Venture CLO Ltd., Series 18-32A, Class A1, 144A, Variable Rate, 3 mo. LIBOR + 1.10%, 1.37%, due 07/18/31	4,875,036
6,177,781	ACIS CLO Ltd., Series 15-6A, Class A1, 144A, Variable Rate, 3 mo. LIBOR + 1.59%, 1.84%, due 05/01/27	6,176,608	2,932,000	Venture XII CLO Ltd., Series 12-12A, Class BRR, 144A, Variable Rate, 3 mo. LIBOR + 1.20%, 1.46%, due 02/28/26	2,853,968
1,905,000	Apex Credit CLO II Ltd., Series 15-2A, Class CR, 144A, Variable Rate, 3 mo. LIBOR + 1.90%, 2.17%, due 10/17/26	1,795,981	1,568,784	Voya CLO Ltd., Series 14-3A, Class A2A, 144A, Variable Rate, 3 mo. LIBOR + 1.90%, 2.14%, due 07/25/26	1,569,187
171,460	BFNS LLC, Series 17-1A, Class X, 144A, Variable Rate, 3 mo. LIBOR + 0.98%, 1.22%, due 01/25/29	171,380	606,934	WhiteHorse IX Ltd, Series 14-9A, Class AR, 144A, Variable Rate, 3 mo. LIBOR + 1.16%, 1.43%, due 07/17/26	605,664
4,222,400	Catamaran CLO Ltd., Series 13-1A, Class CR, 144A, Variable Rate, 3 mo. LIBOR + 1.80%, 2.04%, due 01/27/28	4,081,000	7,746,900	Whitehorse XII Ltd., Series 18-12A, Class A, 144A, Variable Rate, 3 mo. LIBOR + 1.25%, 1.53%, due 10/15/31	7,639,272
5,510,000	Crestline Denali CLO XVI Ltd., Series 18-1A, Class A, 144A, Variable Rate, 3 mo. LIBOR + 1.12%, 1.39%, due 01/20/30	5,402,054	6,750,000	Zais CLO 1 Ltd., Series 14-1A, Class A1BR, 144A, Variable Rate, 3 mo. LIBOR + 1.50%, 1.78%, due 04/15/28	6,700,313
4,161,000	ECP CLO Ltd., Series 18-1A, Class A1R, 144A, Variable Rate, 3 mo. LIBOR + 1.14%, 1.41%, due 04/22/30	4,088,182	18,544,342	Zais CLO 1 Ltd., Series 14-1A, Class A1AR, 144A, Variable Rate, 3 mo. LIBOR + 1.15%, 1.43%, due 04/15/28	18,441,699
1,259,600	Garrison BSL CLO Ltd., Series 18-1A, Class B, 144A, Variable Rate, 3 mo. LIBOR + 1.65%, 1.92%, due 07/17/28	1,233,626	1,878,017	Zais CLO 8 Ltd., Series 18-1A, Class A, 144A, Variable Rate, 3 mo. LIBOR + 0.95%, 1.23%, due 04/15/29	1,820,334
6,360,000	Garrison BSL CLO Ltd., Series 18-1A, Class A1, 144A, Variable Rate, 3 mo. LIBOR + 0.97%, 1.24%, due 07/17/28	6,289,220		Total Collateralized Loan Obligations	134,317,811
3,660,112	Halcyon Loan Advisors Funding Ltd., Series 12-1A, Class B, 144A, Variable Rate, 3 mo. LIBOR + 3.00%, 3.28%, due 08/15/23	3,661,792		Commercial Mortgage-Backed Securities — 15.0%	
6,412,272	Loomis Sayles CLO II Ltd., Series 15-2A, Class A1R, 144A, Variable Rate, 3 mo. LIBOR + 0.90%, 1.18%, due 04/15/28	6,339,871	10,000,000	BAMLL Commercial Mortgage Securities Trust, Series 19-BPR, Class ANM, 144A, 3.11%, due 11/05/32	9,956,826

See accompanying notes to the financial statements.

GMO Opportunistic Income Fund
(A Series of GMO Trust)
Schedule of Investments — (Continued)
(showing percentage of total net assets)
August 31, 2020 (Unaudited)

Par Value†	Description	Value (\$)	Par Value†	Description	Value (\$)
	Asset-Backed Securities — continued			Asset-Backed Securities — continued	
	Commercial Mortgage-Backed Securities — continued			Commercial Mortgage-Backed Securities — continued	
8,448,000	Barclays Commercial Mortgage Trust, Series 18-CHRS, Class E, 144A, Variable Rate, 4.41%, due 08/05/38	5,761,562	2,505,000	MKT Mortgage Trust, Series 20-525M, Class F, 144A, Variable Rate, 2.94%, due 02/12/40	2,239,637
4,834,200	BBCMS Mortgage Trust, Series 17-C1, Class A4, 3.67%, due 02/15/50	5,474,632	3,710,000	Morgan Stanley Bank of America Merrill Lynch Trust, Series 13-C10, Class A4, Variable Rate, 4.22%, due 07/15/46	3,967,633
4,498,000	BX Trust, Series 19-OC11, Class A, 144A, 3.20%, due 12/09/41	4,753,833	1,201,206	Morgan Stanley Dean Witter Capital I Trust, Series 01-TOP3, Class F, 144A, Variable Rate, 8.07%, due 07/15/33	1,111,740
1,470,000	BX Trust, Series 19-OC11, Class C, 144A, 3.86%, due 12/09/41	1,437,384	10,135,000	Union Station District of Columbia, Series 2018-USDC, Class E, 144A, Variable Rate, 4.64%, due 05/13/38	8,032,108
5,000,000	BX Trust, Series 19-OC11, Class E, 144A, Variable Rate, 4.08%, due 12/09/41	4,516,753	2,550,000	WaMu Commercial Mortgage Securities Trust, Series 06-SL1, Class E, 144A, Variable Rate, 3.34%, due 11/23/43	2,533,693
7,000,000	Commercial Mortgage Trust, Series 15-CR24, Class A5, 3.70%, due 08/10/48	7,792,459	8,270,894	WaMu Commercial Mortgage Securities Trust, Series 07-SL3, Class G, 144A, Variable Rate, 3.90%, due 03/23/45	8,341,726
6,334,436	Commercial Mortgage Trust, Series 15-CR25, Class A4, 3.76%, due 08/10/48	7,050,071	8,563,000	Wells Fargo Commercial Mortgage Trust, Series 13-BTC, Class F, 144A, Variable Rate, 3.67%, due 04/16/35	7,314,666
233,407	Credit Suisse First Boston Mortgage Securities Corp., Series 05-C2, Class AMFL, Variable Rate, 1 mo. LIBOR + 0.25%, 0.41%, due 04/15/37	224,071	1,717,000	Wells Fargo Commercial Mortgage Trust, Series 13-BTC, Class D, 144A, Variable Rate, 3.67%, due 04/16/35	1,610,052
184,408	Credit Suisse First Boston Mortgage Securities Corp., Series 05-C2, Class AMFX, 4.88%, due 04/15/37	184,035	960,073	Wells Fargo Commercial Mortgage Trust, Series 15-NXS1, Class A5, 3.15%, due 05/15/48	1,038,525
6,372,761	CSAIL Commercial Mortgage Trust, Series 15-C3, Class A4, 3.72%, due 08/15/48	7,037,986	4,392,094	Wells Fargo Commercial Mortgage Trust, Series 16-C32, Class A4, 3.56%, due 01/15/59	4,851,861
6,101,601	GS Mortgage Securities Corp., Series 16-GS2, Class D, 144A, 2.75%, due 05/10/49	4,465,525		Total Commercial Mortgage-Backed Securities	128,568,501
4,454,370	GS Mortgage Securities Trust, Series 15-GC32, Class A4, 3.76%, due 07/10/48	4,958,765		Residential Mortgage-Backed Securities — Other — 9.9%	
5,618,916	GS Mortgage Securities Trust, Series 15-GS1, Class A3, 3.73%, due 11/10/48	6,209,929	967,475	ACE Securities Corp. Home Equity Loan Trust, Series 06-ASL1, Class A, Variable Rate, 1 mo. LIBOR + 0.28% 0.46%, due 02/25/36	308,759
3,750,000	GS Mortgage Securities Trust, Series 16-GS2, Class B, Variable Rate, 3.76%, due 05/10/49	3,919,199	19,613,149	American Home Mortgage Investment Trust, Series 06-2, Class 4A, Variable Rate, 1 mo. LIBOR + 0.36%, 0.54%, due 02/25/36	1,987,483
276,240	JP Morgan Chase Commercial Mortgage Securities Trust, Series 15-JP1, Class A5, 3.91%, due 01/15/49	311,240	13,743,281	BankAmerica Manufactured Housing Contract Trust, Series 98-1, Class B2, Variable Rate, 8.00%, due 08/10/25	7,855,363
805,930	JPMBB Commercial Mortgage Securities Trust, Series 15-C32, Class A5, 3.60%, due 11/15/48	891,942	5,212,238	BCMSC Trust, Series 99-A, Class M1, Variable Rate, 6.79%, due 03/15/29	4,802,452
1,326,589	LB-UBS Commercial Mortgage Trust, Series 04-C6, Class K, 144A, Variable Rate, 6.52%, due 08/15/36	1,371,528	8,834,023	BCMSC Trust, Series 99-B, Class A4, Variable Rate, 7.30%, due 12/15/29	2,252,108
1,500,000	Manhattan West, Series 20-1MW, Class C, 144A, Variable Rate, 2.41%, due 09/10/39	1,491,755	2,928,137	BCMSC Trust, Series 00-A, Class A4, Variable Rate, 8.29%, due 06/15/30	944,630
500,000	Manhattan West, Series 20-1MW, Class D, 144A, Variable Rate, 2.41%, due 09/10/39	487,177			
5,504,257	Merrill Lynch Mortgage Investors Trust, Series 98-C1, Class F, Variable Rate, 6.25%, due 11/15/26	5,507,614			
4,000,000	MKT Mortgage Trust, Series 20-525M, Class E, 144A, Variable Rate, 2.94%, due 02/12/40	3,722,574			

GMO Opportunistic Income Fund
(A Series of GMO Trust)
Schedule of Investments — (Continued)
(showing percentage of total net assets)
August 31, 2020 (Unaudited)

Par Value†	Description	Value (\$)	Par Value†	Description	Value (\$)
	Asset-Backed Securities — continued			Asset-Backed Securities — continued	
	Residential Mortgage-Backed Securities —			Residential Mortgage-Backed Securities —	
	Other — continued			Other — continued	
483,002	Bear Stearns Mortgage Funding Trust, Series 07-SL2, Class 1A, Variable Rate, 1 mo. LIBOR + 0.32%, 0.50%, due 02/25/37	435,131	6,276,119	Oakwood Mortgage Investors, Inc., Series 99-C, Class A2, 7.48%, due 08/15/27	5,956,440
2,635,130	Conseco Finance Corp., Series 97-5, Class B1, Variable Rate, 6.97%, due 05/15/29	2,575,626	1,572,382	Oakwood Mortgage Investors, Inc., Series 98-A, Class B1, Variable Rate, 7.50%, due 05/15/28	1,614,019
5,157,052	Conseco Finance Securitizations Corp., Series 01-3, Class M1, Variable Rate, 7.15%, due 05/01/33	5,006,756	1,984,156	Oakwood Mortgage Investors, Inc., Series 98-D, Class M1, 144A, 7.42%, due 01/15/29	2,033,444
5,227,670	Conseco Financial Corp., Series 97-6, Class M1, Variable Rate, 7.21%, due 01/15/29	5,318,904	4,794,483	Oakwood Mortgage Investors, Inc., Series 99-E, Class A1, Variable Rate, 7.61%, due 03/15/30	4,050,383
3,007,470	Conseco Financial Corp., Series 98-6, Class M1, Variable Rate, 6.63%, due 06/01/30	2,918,371	10,483,738	Oakwood Mortgage Investors, Inc., Series 00-D, Class A4, Variable Rate, 7.40%, due 07/15/30	3,992,442
1,953,341	Countrywide Home Equity Loan Trust, Series 07-E, Class A, FSA, Variable Rate, 1 mo. LIBOR + 0.15%, 0.31%, due 06/15/37	1,857,893	1,170,253	Oakwood Mortgage Investors, Inc., Series 01-D, Class A4, Variable Rate, 6.93%, due 09/15/31	950,376
352,634	GMACM Home Equity Loan Trust, Series 04-HE3, Class A3, FSA, Variable Rate, 1 mo. LIBOR + 0.50%, 0.68%, due 10/25/34	329,827	758,285	Oakwood Mortgage Investors, Inc., Series 01-E, Class A3, 5.69%, due 12/15/31	754,611
6,638,218	GMACM Home Equity Loan Trust, Series 07-HE3, Class 2A1, Variable Rate, 6.47%, due 09/25/37	6,672,482		Total Residential Mortgage-Backed Securities — Other	84,670,612
4,861,062	Home Equity Loan Trust, Series 05-HS1, Class A14, Step Up, 5.61%, due 09/25/35	1,213,240		Residential Mortgage-Backed Securities — Prime — 5.6%	
30,254,212	Home Equity Mortgage Loan Asset-Backed Trust, Series 06-A, Class A, Variable Rate, 1 mo. LIBOR + 0.26%, 0.44%, due 06/25/36	2,379,491	1,136,781	Bear Stearns ARM Trust, Series 05-6, Class 3A1, Variable Rate, 3.17%, due 08/25/35	1,111,956
12,991,089	Home Loan Trust, Series 06-HI4, Class A4, Step Up, 5.72%, due 09/25/36	8,750,106	972,247	Bear Stearns ARM Trust, Series 05-9, Class A1, Variable Rate, U.S. Treasury Yield 1 Year CMT + 2.30%, 2.41%, due 10/25/35	972,060
12,425,634	Home Loan Trust, Series 07-HI1, Class A4, Step Up, due 03/25/37	5,359,772	645,611	Citigroup Mortgage Loan Trust, Series 05-3, Class 2A2, Variable Rate, 3.23%, due 08/25/35	673,829
3,996,793	Master Second Lien Trust, Series 06-1, Class A, Variable Rate, 1 mo. LIBOR + 0.32%, 0.50%, due 03/25/36	590,522	5,447,214	CSMC Mortgage-Backed Trust, Series 07-4, Class 2A1, 6.00%, due 06/25/37	4,394,666
455,823	Mellon Re-REMIC Pass-Through Trust, Series 04-TBC1, Class A, 144A, Variable Rate, 1 mo. LIBOR + 0.25%, 0.42%, due 02/26/34	388,401	2,092,648	IndyMac INDA Mortgage Loan Trust, Series 06-AR3, Class 1A1, Variable Rate, 3.72%, due 12/25/36	1,881,740
14,018,944	New Century Home Equity Loan Trust, Series 06-S1, Class A2A, Variable Rate, 1 mo. LIBOR + 0.20%, 0.38%, due 03/25/36	838,214	1,617,273	IndyMac INDA Mortgage Loan Trust, Series 07-AR1, Class 1A1, Variable Rate, 3.68%, due 03/25/37	1,487,076
7,996,693	New Century Home Equity Loan Trust, Series 06-S1, Class A1, Variable Rate, 1 mo. LIBOR + 0.34%, 0.52%, due 03/25/36	481,352	11,165,424	IndyMac INDX Mortgage Loan Trust, Series 06-AR2, Class 1A1A, Variable Rate, 1 mo. LIBOR + 0.22%, 0.40%, due 04/25/46	10,055,675
21,320,064	New Century Home Equity Loan Trust, Series 06-S1, Class A2B, Variable Rate, 1 mo. LIBOR + 0.40%, 0.58%, due 03/25/36	1,283,125	1,993,210	Morgan Stanley Mortgage Loan Trust, Series 06-2, Class 6A, 6.50%, due 02/25/36	1,492,089
510,260	Nomura Asset Acceptance Corp. Alternative Loan Trust, Series 05-S3, Class M1, Variable Rate, 1 mo. LIBOR + 0.90%, 1.08%, due 08/25/35	768,889	3,092,884	RBSSP Resecuritization Trust, Series 09-6, Class 12A4, 144A, Variable Rate, 5.50%, due 05/26/35	3,055,744

See accompanying notes to the financial statements.

GMO Opportunistic Income Fund
(A Series of GMO Trust)
Schedule of Investments — (Continued)
(showing percentage of total net assets)
August 31, 2020 (Unaudited)

Par Value†	Description	Value (\$)	Par Value†	Description	Value (\$)
	Asset-Backed Securities — continued			Asset-Backed Securities — continued	
	Residential Mortgage-Backed Securities —			Residential Mortgage-Backed Securities —	
	Prime — continued			Alt-A — continued	
1,316,561	RFMSI Trust, Series 05-SA4, Class 2A2, Variable Rate, 3.34%, due 09/25/35	1,274,879	2,001,370	Alternative Loan Trust, Series 06-7CB, Class 1A1, Variable Rate, 1 mo. LIBOR + 0.70%, 0.88%, due 05/25/36	841,855
1,407,725	WaMu Mortgage Pass-Through Certificates, Series 05-AR10, Class 1A3, Variable Rate, 3.03%, due 09/25/35	1,476,120	2,110,329	Alternative Loan Trust, Series 06-28CB, Class A1, Variable Rate, 1 mo. LIBOR + 0.70%, 0.88%, due 10/25/36	806,063
1,519,325	WaMu Mortgage Pass-Through Certificates, Series 06-AR19, Class 2A, Variable Rate, COFI + 1.25%, 1.93%, due 01/25/47	1,427,034	3,015,308	Bear Stearns Asset Backed Securities I Trust, Series 04-AC5, Class A1, Step Up, 5.75%, due 10/25/34	3,093,241
3,645,287	Washington Mutual Mortgage Pass-Through Certificates, Series 05-4, Class CB3, Variable Rate, 1 mo. LIBOR + 0.45%, 0.63%, due 06/25/35	2,956,227	4,870,577	Citigroup Mortgage Loan Trust, Inc., Series 06-AR5, Class 2A2A, Variable Rate, 3.09%, due 07/25/36	3,251,432
15,075,364	Washington Mutual Mortgage Pass-Through Certificates, Series 07-5, Class A6, 6.00%, due 06/25/37	15,451,547	946,317	JP Morgan Resecuritization Trust, Series 09-10, Class 7A1, 144A, Variable Rate, 6.05%, due 02/26/37	959,441
	Total Residential Mortgage-Backed Securities — Prime	47,710,642		Total Residential Mortgage-Backed Securities — Alt-A	9,704,354
	Residential Mortgage-Backed Securities —			Small Balance Commercial Mortgages — 9.6%	
	Subprime — 2.5%		420,679	Bayview Commercial Asset Trust, Series 04-1, Class M1, 144A, Variable Rate, 1 mo. LIBOR + 0.84%, 1.02%, due 04/25/34	417,372
1,788,863	Asset Backed Funding Certificates, Series 05-AQ1, Class A5, Step Up, 4.63%, due 06/25/35	1,883,357	380,988	Bayview Commercial Asset Trust, Series 04-1, Class M2, 144A, Variable Rate, 1 mo. LIBOR + 1.80%, 1.98%, due 04/25/34	379,171
2,578,393	BCAP LLC, Series 14-RR2, Class 11A3, 144A, Variable Rate, 0.57%, due 05/26/37	2,452,177	423,422	Bayview Commercial Asset Trust, Series 04-1, Class B, 144A, Variable Rate, 1 mo. LIBOR + 2.85%, 3.03%, due 04/25/34	422,270
1,723,153	Bear Stearns Asset Backed Securities I Trust, Series 05-TC2, Class M3, Variable Rate, 1 mo. LIBOR + 1.08%, 1.26%, due 08/25/35	1,717,198	4,676,384	Bayview Commercial Asset Trust, Series 05-2A, Class A1, 144A, Variable Rate, 1 mo. LIBOR + 0.31%, 0.49%, due 08/25/35	4,313,936
3,296,075	Bear Stearns Asset Backed Securities I Trust, Series 05-TC2, Class M4, Variable Rate, 1 mo. LIBOR + 1.88%, 2.05%, due 08/25/35	3,310,429	2,396,060	Bayview Commercial Asset Trust, Series 05-4A, Class A2, 144A, Variable Rate, 1 mo. LIBOR + 0.39%, 0.57%, due 01/25/36	2,251,956
2,335,333	Bear Stearns Asset-Backed Securities, Inc., Series 07-AQ1, Class A1, Variable Rate, 1 mo. LIBOR + 0.11%, 0.29%, due 04/25/31 ^(b)	5,778,548	1,264,535	Bayview Commercial Asset Trust, Series 06-1A, Class M1, 144A, Variable Rate, 1 mo. LIBOR + 0.38%, 0.56%, due 04/25/36	1,127,378
3,822,018	Bravo Mortgage Asset Trust, Series 06-1A, Class M1, 144A, Variable Rate, 1 mo. LIBOR + 0.40%, 0.58%, due 07/25/36	3,415,767	1,845,991	Bayview Commercial Asset Trust, Series 06-2A, Class A1, 144A, Variable Rate, 1 mo. LIBOR + 0.23%, 0.41%, due 07/25/36	1,713,647
1,544,516	CHL Mortgage Pass-Through Trust, Series 04-HYB6, Class A2, Variable Rate, 3.55%, due 11/20/34	1,540,136	3,775,997	Bayview Commercial Asset Trust, Series 06-2A, Class A2, 144A, Variable Rate, 1 mo. LIBOR + 0.28%, 0.46%, due 07/25/36	3,515,353
1,666,320	GSAA Trust, Series 05-1, Class M1, Step Up, 5.30%, due 11/25/34	1,703,111	4,928,326	Bayview Commercial Asset Trust, Series 06-3A, Class A1, 144A, Variable Rate, 1 mo. LIBOR + 0.25%, 0.43%, due 10/25/36	4,571,595
	Total Residential Mortgage-Backed Securities — Subprime	21,800,723	2,487,152	Bayview Commercial Asset Trust, Series 07-1, Class A1, 144A, Variable Rate, 1 mo. LIBOR + 0.22%, 0.40%, due 03/25/37	2,342,498
	Residential Mortgage-Backed Securities —		2,015,221	Bayview Commercial Asset Trust, Series 07-3, Class A1, 144A, Variable Rate, 1 mo. LIBOR + 0.24%, 0.42%, due 07/25/37	1,888,271
	Alt-A — 1.1%				
715,787	Alternative Loan Trust, Series 04-J11, Class 1CB1, 5.50%, due 11/25/34	752,322			

GMO Opportunistic Income Fund
(A Series of GMO Trust)
Schedule of Investments — (Continued)
(showing percentage of total net assets)
August 31, 2020 (Unaudited)

Par Value†	Description	Value (\$)	Par Value†	Description	Value (\$)
	Asset-Backed Securities — continued			Asset-Backed Securities — continued	
	Small Balance Commercial Mortgages — continued			Small Balance Commercial Mortgages — continued	
8,150,811	Bayview Commercial Asset Trust, Series 07-2A, Class A1, 144A, Variable Rate, 1 mo. LIBOR + 0.27%, 0.45%, due 07/25/37	7,569,661	5,924,638	Lehman Brothers Small Balance Commercial Mortgage Trust, Series 07-3A, Class AJ, 144A, Variable Rate, 6.21%, due 10/25/37	5,987,978
5,249,067	Bayview Commercial Asset Trust, Series 07-2A, Class A2, 144A, Variable Rate, 1 mo. LIBOR + 0.32%, 0.50%, due 07/25/37	4,700,999	349,202	WaMu Commercial Mortgage Securities Trust, Series 07-SL2, Class C, 144A, Variable Rate, 3.08%, due 12/27/49	349,101
1,128,058	Bayview Commercial Asset Trust, Series 07-6A, Class A3B, 144A, Variable Rate, 1 mo. LIBOR + 0.85%, 1.03%, due 12/25/37	1,122,834	3,430,400	WaMu Commercial Mortgage Securities Trust, Series 07-SL2, Class D, 144A, Variable Rate, 3.45%, due 12/27/49	3,422,457
9,654,031	Bayview Commercial Asset Trust, Series 07-6A, Class A3A, 144A, Variable Rate, 1 mo. LIBOR + 1.25%, 1.43%, due 12/25/37	9,717,356	3,176,664	WaMu Commercial Mortgage Securities Trust, Series 07-SL2, Class E, 144A, Variable Rate, 3.61%, due 12/27/49	3,118,894
2,391,540	GE Business Loan Trust, Series 07-1A, Class A, 144A, Variable Rate, 1 mo. LIBOR + 0.17%, 0.33%, due 04/15/35	2,391,540		Total Small Balance Commercial Mortgages	82,355,111
1,917,958	GE Business Loan Trust, Series 07-1A, Class D, 144A, Variable Rate, 1 mo. LIBOR + 1.00%, 1.16%, due 04/16/35	1,726,162		Student Loans — Federal Family Education Loan Program — 5.5%	
2,479,796	Hana SBL Loan Trust, Series 19-1, Class A, 144A, Variable Rate, 1 mo. LIBOR + 2.00%, 2.18%, due 08/25/45	2,384,863	4,896,307	AccessLex Institute, Series 04-2, Class A3, Variable Rate, 3 mo. LIBOR + 0.19%, 0.43%, due 10/25/24	4,749,520
4,300,000	Lehman Brothers Small Balance Commercial, Series 07-2A, Class M1, 144A, Variable Rate, 1 mo. LIBOR + 0.40%, 0.58%, due 06/25/37	4,001,573	10,100,217	AccessLex Institute, Series 04-2, Class B, Variable Rate, 3 mo. LIBOR + 0.70%, 0.94%, due 01/25/43	8,310,347
420,403	Lehman Brothers Small Balance Commercial Mortgage Trust, Series 05-1A, Class A, 144A, Variable Rate, 1 mo. LIBOR + 0.25%, 0.43%, due 02/25/30	416,587	12,028,510	AccessLex Institute, Series 07-1, Class A4, Variable Rate, 3 mo. LIBOR + 0.06%, 0.30%, due 01/25/23	11,760,525
1,068,262	Lehman Brothers Small Balance Commercial Mortgage Trust, Series 05-1A, Class M1, 144A, Variable Rate, 1 mo. LIBOR + 0.35%, 0.53%, due 02/25/30	1,049,553	4,177,674	Collegiate Funding Services Education Loan Trust, Series 05-B, Class B, Variable Rate, 3 mo. LIBOR + 0.32%, 0.63%, due 03/28/35 ^(a)	3,447,186
989,266	Lehman Brothers Small Balance Commercial Mortgage Trust, Series 05-1A, Class M2, 144A, Variable Rate, 1 mo. LIBOR + 0.55%, 0.73%, due 02/25/30	971,575	7,720,600	SLC Student Loan Trust, Series 08-2, Class A4, Variable Rate, 3 mo. LIBOR + 0.90%, 1.21%, due 06/15/21	7,371,574
2,467,604	Lehman Brothers Small Balance Commercial Mortgage Trust, Series 05-2A, Class B, 144A, Variable Rate, 1 mo. LIBOR + 1.00%, 1.18%, due 09/25/30	2,353,673	12,014,920	SLM Student Loan Trust, Series 08-4, Class A4, Variable Rate, 3 mo. LIBOR + 1.65%, 1.89%, due 07/25/22	11,789,562
5,102,207	Lehman Brothers Small Balance Commercial Mortgage Trust, Series 06-1A, Class M3, 144A, Variable Rate, 1 mo. LIBOR + 0.53%, 0.71%, due 04/25/31	4,999,212		Total Student Loans — Federal Family Education Loan Program	47,428,714
2,022,599	Lehman Brothers Small Balance Commercial Mortgage Trust, Series 06-1A, Class B, 144A, Variable Rate, 1 mo. LIBOR + 1.00%, 1.18%, due 04/25/31	1,870,855		Student Loans — Private — 14.4%	
1,298,703	Lehman Brothers Small Balance Commercial Mortgage Trust, Series 06-2A, Class M2, 144A, Variable Rate, 1 mo. LIBOR + 0.39%, 0.57%, due 09/25/36	1,256,791	3,755,661	AccessLex Institute, Series 05-A, Class B, Variable Rate, 3 mo. LIBOR + 0.80%, 1.04%, due 07/25/34	3,416,494
			2,988,132	KeyCorp Student Loan Trust, Series 05-A, Class 2B, Variable Rate, 3 mo. LIBOR + 0.73%, 1.04%, due 09/27/38	2,939,317
			20,241,579	KeyCorp Student Loan Trust, Series 06-A, Class 2B, Variable Rate, 3 mo. LIBOR + 0.48%, 0.79%, due 12/27/41	19,632,340
			2,449,966	KeyCorp Student Loan Trust, Series 04-A, Class 2C, Variable Rate, 3 mo. LIBOR + 0.80%, 1.04%, due 04/28/42	2,387,420

See accompanying notes to the financial statements.

GMO Opportunistic Income Fund
(A Series of GMO Trust)
Schedule of Investments — (Continued)
(showing percentage of total net assets)
August 31, 2020 (Unaudited)

Par Value†	Description	Value (\$)	Par Value†	Description	Value (\$)
	Asset-Backed Securities — continued			Asset-Backed Securities — continued	
	Student Loans — Private — continued			Student Loans — Private — continued	
5,622,500	KeyCorp Student Loan Trust, Series 04-A, Class 2D, Variable Rate, 3 mo. LIBOR + 1.25%, 1.49%, due 07/28/42	4,855,208	3,350,000	SLM Private Credit Student Loan Trust, Series 03-C, Class A3, Variable Rate, 28-DayAuct + 0.00%, due 09/15/32 ^(b)	3,216,000
1,289,442	L2L Education Loan Trust, Series 06-1A, Class B, 144A, Variable Rate, 1 mo. LIBOR + 0.50%, 0.66%, due 10/15/28	1,255,245	5,400,350	SLM Private Credit Student Loan Trust, Series 03-C, Class C, Variable Rate, 3 mo. LIBOR + 1.60%, 1.91%, due 09/15/32	1,435,714
8,775,000	National Collegiate Commutation Trust, Series 07-3, Class A3R4, 144A, Variable Rate, 7-DayAuct + 0.00%, due 03/31/38 ^(b)	2,632,500	9,000,000	SLM Private Credit Student Loan Trust, Series 04-B, Class A4, Variable Rate, 3 mo. LIBOR + 0.43%, 0.74%, due 09/15/33	8,410,241
7,625,000	National Collegiate II Commutation Trust, Series 07-4, Class A3R7, Variable Rate, 28-DayAuct + 0.00%, due 03/25/38 ^(b)	2,173,125	2,288,516	SLM Private Credit Student Loan Trust, Series 05-A, Class B, Variable Rate, 3 mo. LIBOR + 0.28%, 0.59%, due 12/15/38	2,271,675
3,275,000	National Collegiate II Commutation Trust, Series 07-4, Class A3R6, Variable Rate, 28-DayAuct + 0.00%, due 03/25/38 ^(b)	933,375	4,455,410	SLM Private Credit Student Loan Trust, Series 06-A, Class A5, Variable Rate, 3 mo. LIBOR + 0.29%, 0.60%, due 06/15/39	4,207,023
3,157,894	National Collegiate Student Loan Trust, Series 05-3, Class A51, Variable Rate, 1 mo. LIBOR + 0.38%, 0.56%, due 10/25/33	3,034,707	3,269,334	SLM Private Credit Student Loan Trust, Series 05-B, Class A4, Variable Rate, 3 mo. LIBOR + 0.33%, 0.64%, due 06/15/39	3,089,885
8,862,822	National Collegiate Student Loan Trust, Series 06-4, Class A4, Variable Rate, 1 mo. LIBOR + 0.31%, 0.49%, due 05/25/32	8,410,870	2,672,291	SLM Private Credit Student Loan Trust, Series 06-C, Class C, Variable Rate, 3 mo. LIBOR + 0.39%, 0.70%, due 12/15/39	2,285,933
5,386,619	National Collegiate Student Loan Trust, Series 06-1, Class A5, Variable Rate, 1 mo. LIBOR + 0.35%, 0.53%, due 03/25/33	5,090,398	3,983,397	South Carolina Student Loan Corp., Series 15-A, Class A, Variable Rate, 1 mo. LIBOR + 1.50%, 1.68%, due 01/25/36	3,975,205
9,513,373	National Collegiate Student Loan Trust, Series 05-2, Class A51, Variable Rate, 1 mo. LIBOR + 0.37%, 0.55%, due 06/25/33	9,040,281	6,989,400	Towd Point Asset Trust, Series 18-SL1, Class B, 144A, Variable Rate, 1 mo. LIBOR + 1.05%, 1.23%, due 01/25/46	6,453,538
14,180,016	National Collegiate Student Loan Trust, Series 07-1, Class A4, Variable Rate, 1 mo. LIBOR + 0.31%, 0.48%, due 10/25/33	12,976,413		Total Student Loans — Private	123,439,178
3,256,000	National Collegiate Student Loan Trust, Series 04-2, Class B, Variable Rate, 1 mo. LIBOR + 0.54%, 0.72%, due 12/26/33	2,943,471		Time Share — 0.0%	
75,000	National Collegiate Student Loan Trust, Series 07-4, Class A3A7, Variable Rate, 28-DayAuct + 0.00%, due 03/25/38 ^(a)	60,000	162,639	BXG Receivables Note Trust, Series 12-A, Class B, 144A, 3.99%, due 12/02/27	162,031
25,000	National Collegiate Student Loan Trust, Series 07-3, Class A3A4, Variable Rate, 28-DayAuct + 0.00%, due 03/25/38 ^(a)	20,000		Total Asset-Backed Securities	686,597,690
6,555,000	SLM Private Credit Student Loan Trust, Series 03-A, Class A3, Variable Rate, 28-DayAuct + 0.00%, due 06/15/32 ^(b)	6,292,800		U.S. Government — 0.2%	
			1,586,000	U.S. Treasury Note, Variable Rate, USBM + 0.12%, 0.22%, due 01/31/21 ^(c)	1,586,650
				U.S. Government Agency — 1.3%	
			4,443,750	Agency for International Development Floater (Support of Morocco), Variable Rate, 6 mo. LIBOR — 0.02%, 0.30%, due 02/01/25 ^(b)	4,292,006

GMO Opportunistic Income Fund
(A Series of GMO Trust)

Schedule of Investments — (Continued)
August 31, 2020 (Unaudited)

Written Options

Description	Counterparty	Exercise Rate	Expiration Date	Principal / Notional Amount	Floating Rate Index	Pay/Receive Floating Rate	Value (\$)
Written Options on Credit Default Swaps — Puts							
ITRAXX.EUROPE.S33.V1-5Y	DB	80.00%	11/18/20	EUR (66,132,000)	Fixed Spread	Pay	(79,701)
CDX.NA.IGS.34.V1-5Y	BCLY	80.00%	11/18/20	USD (91,830,000)	Fixed Spread	Pay	(191,489)
TOTAL WRITTEN OPTIONS ON CREDIT DEFAULT SWAPS — PUTS (Premiums \$457,508)							<u><u>\$(271,190)</u></u>

Swap Contracts

Centrally Cleared Credit Default Swaps

Reference Entity	Notional Amount	Annual Premium	Implied Credit Spread ⁽¹⁾	Maximum Potential Amount of Future Payments by the Fund Under the Contract ⁽²⁾	Expiration Date	Periodic Payment Frequency	Premiums Paid/ (Received) (\$)	Value (\$)	Net Unrealized Appreciation/ (Depreciation) (\$)
Buy Protection[^]:									
ITRAXX.XOVERS.30.V3-5Y	EUR 23,024,640	5.00%	3.40%	N/A	12/20/2023	Quarterly	(2,406,883)	(1,351,017)	1,055,866
CDX-NA.HYS.33.V3-5Y	USD 8,035,200	5.00%	3.56%	N/A	12/20/2024	Quarterly	415,507	(451,249)	(866,756)
CDX-NA.IGS.33.V1-5Y	USD 49,070,000	1.00%	0.62%	N/A	12/20/2024	Quarterly	(417,804)	(785,856)	(368,052)
ITRAXX.EUROPE.S32.V1-5Y	EUR 29,470,000	1.00%	0.51%	N/A	12/20/2024	Quarterly	(859,948)	(749,326)	110,622
CDX-NA.IGS.34.V1-5Y	USD 91,830,000	1.00%	0.65%	N/A	06/20/2025	Quarterly	(1,388,772)	(1,514,369)	(125,597)
Sell Protection[^]:									
CDX.NA.IGS.28.V1-5Y	USD 17,200,000	1.00%	0.75%	17,200,000 USD	06/20/2022	Quarterly	300,982	78,914	(222,068)
CDX-NA.HYS.33.V3-5Y	USD 2,326,500	5.00%	3.56%	2,326,500 USD	12/20/2024	Quarterly	79,786	130,654	50,868
							<u><u>\$(4,277,132)</u></u>	<u><u>\$(4,642,249)</u></u>	<u><u>\$ (365,117)</u></u>

OTC Credit Default Swaps

Reference Entity	Counterparty	Notional Amount	Annual Premium	Implied Credit Spread ⁽¹⁾	Maximum Potential Amount of Future Payments by the Fund Under the Contract ⁽²⁾	Expiration Date	Periodic Payment Frequency	Premiums Paid/ (Received) (\$)	Value (\$)	Net Unrealized Appreciation/ (Depreciation) (\$)
Buy Protection[^]:										
CDX.NA.IGS.25.V1-5Y	BOA	USD 4,400,000	1.00%	0.74%	N/A	12/20/2020	Quarterly	710,600	(13,488)	(724,088)
CDX.NA.IGS.25.V1-5Y	CITI	USD 4,300,000	1.00%	0.74%	N/A	12/20/2020	Quarterly	547,891	(13,181)	(561,072)
CDX.NA.HYS.27.V2-5Y	GS	USD 4,458,000	5.00%	2.33%	N/A	12/20/2021	Quarterly	11,145	(4,496)	(15,641)
CDX.NA.HYS.27.V2-5Y	JPM	USD 4,300,000	5.00%	2.33%	N/A	12/20/2021	Quarterly	(11,825)	(4,336)	7,489
D.R. Horton, Inc.	BCLY	USD 17,200,000	1.00%	0.12%	N/A	06/20/2022	Quarterly	(165,250)	(276,290)	(111,040)
CDX-NA.HYS.29.V1-5Y	JPM	USD 6,425,250	5.00%	3.15%	N/A	12/20/2022	Quarterly	(282,711)	363,282	645,993
CDX-NA.HYS.29.V1-5Y	JPM	USD 870,000	5.00%	3.15%	N/A	12/20/2022	Quarterly	(51,765)	49,190	100,955
CDX-NA.HYS.29.V1-5Y	MORD	USD 3,450,800	5.00%	3.15%	N/A	12/20/2022	Quarterly	(188,414)	195,107	383,521
Navient Corp.	GS	USD 4,050,000	5.00%	2.83%	N/A	12/20/2022	Quarterly	(421,122)	(194,045)	227,077
Navient Corp.	GS	USD 2,700,000	5.00%	2.83%	N/A	12/20/2022	Quarterly	(277,471)	(129,363)	148,108
Navient Corp.	BCLY	USD 2,082,800	5.00%	2.83%	N/A	12/20/2022	Quarterly	(160,628)	(99,792)	60,836
Navient Corp.	BCLY	USD 3,435,200	5.00%	2.83%	N/A	12/20/2022	Quarterly	(264,646)	(164,588)	100,058
CDX-NA.HYS.33.V3-5Y	GS	USD 5,952,000	5.00%	3.83%	N/A	12/20/2024	Quarterly	(46,426)	(378,014)	(331,588)
ITRAXX.EUROPE.S32.V1-5Y	BOA	EUR 10,000,000	1.00%	0.55%	N/A	12/20/2024	Quarterly	748,704	565,493	(183,211)
CMBX.NA.A.7	CGMI	USD 1,420,000	2.00%	5.27%	N/A	01/17/2047	Monthly	89,177	134,403	45,226
CMBX.NA.AA.7	GS	USD 5,000,000	1.50%	1.38%	N/A	01/17/2047	Monthly	7,975	(19,043)	(27,018)
CMBX.NA.AS.7	DB	USD 7,608,000	1.00%	0.89%	N/A	01/17/2047	Monthly	(119,899)	(26,553)	93,346

GMO Opportunistic Income Fund
(A Series of GMO Trust)

Schedule of Investments — (Continued)
August 31, 2020 (Unaudited)

OTC Credit Default Swaps — (continued)

Reference Entity	Counterparty	Notional Amount	Annual Premium	Implied Credit Spread ⁽¹⁾	Maximum Potential Amount of Future Payments by the Fund Under the Contract ⁽²⁾	Expiration Date	Periodic Payment Frequency	Premiums Paid/ (Received) (\$)	Value (\$)	Net Unrealized Appreciation/ (Depreciation) (\$)
CMBX.NA.AS.7	BOA	USD 4,505,000	1.00%	0.89%	N/A	01/17/2047	Monthly	47,352	(15,723)	(63,075)
CMBX.NA.AS.7	DB	USD 16,677,794	1.00%	0.89%	N/A	01/17/2047	Monthly	197,704	(58,209)	(255,913)
CMBX.NA.AS.7	GS	USD 4,400,000	1.00%	0.89%	N/A	01/17/2047	Monthly	112,812	(15,357)	(128,169)
CMBX.NA.AS.7	MORD	USD 13,270,000	1.00%	0.89%	N/A	01/17/2047	Monthly	205,782	(46,315)	(252,097)
CMBX.NA.AA.8	CSI	USD 8,892,000	1.50%	1.85%	N/A	10/17/2057	Monthly	247,717	123,693	(124,024)
CMBX.NA.AS.8	MORD	USD 3,384,000	1.00%	1.14%	N/A	10/17/2057	Monthly	140,432	18,822	(121,610)
CMBX.NA.AS.8	CITI	USD 8,892,000	1.00%	1.14%	N/A	10/17/2057	Monthly	73,095	49,458	(23,637)
CMBX.NA.BBB-8	GS	USD 6,889,000	3.00%	9.66%	N/A	10/17/2057	Monthly	1,034,610	1,555,277	520,667
CMBX.NA.BBB-8	GS	USD 4,224,000	3.00%	9.66%	N/A	10/17/2057	Monthly	400,908	953,620	552,712
CMBX.NA.AAA.9	CGMI	USD 4,000,000	0.50%	0.24%	N/A	09/17/2058	Monthly	(17,096)	(51,918)	(34,822)
CMBX.NA.AAA.9	GS	USD 2,902,300	0.50%	0.24%	N/A	09/17/2058	Monthly	(14,187)	(37,670)	(23,483)
CMBX.NA.AAA.9	MSCI	USD 3,328,000	0.50%	0.24%	N/A	09/17/2058	Monthly	(31,983)	(43,195)	(11,212)
CMBX.NA.AAA.9	GS	USD 10,000,000	0.50%	0.24%	N/A	09/17/2058	Quarterly	(102,116)	(129,794)	(27,678)
CMBX.NA.AAA.9	MORD	USD 5,000,000	0.50%	0.24%	N/A	09/17/2058	Monthly	(51,058)	(64,897)	(13,839)
CMBX.NA.BBB-9	MORD	USD 5,116,800	3.00%	7.89%	N/A	09/17/2058	Monthly	584,727	1,052,868	468,141
CMBX.NA.BBB-9	DB	USD 4,263,000	3.00%	7.89%	N/A	09/17/2058	Monthly	517,160	877,184	360,024
CMBX.NA.BBB-9	DB	USD 4,400,000	3.00%	7.89%	N/A	09/17/2058	Monthly	950,085	905,374	(44,711)
CMBX.NA.BBB-9	GS	USD 1,760,000	3.00%	7.89%	N/A	09/17/2058	Monthly	346,611	362,150	15,539
CMBX.NA.BBB-9	MORD	USD 2,585,000	3.00%	7.89%	N/A	09/17/2058	Monthly	63,490	531,907	468,417
CMBX.NA.BBB-9	CGMI	USD 3,425,200	3.00%	7.89%	N/A	09/17/2058	Monthly	955,105	704,793	(250,312)
CMBX.NA.AAA.10	MSCI	USD 9,668,400	0.50%	0.28%	N/A	11/17/2059	Monthly	(15,090)	(125,583)	(110,493)
CMBX.NA.AAA.10	MSCI	USD 1,381,200	0.50%	0.28%	N/A	11/17/2059	Monthly	(2,156)	(17,940)	(15,784)
CMBX.NA.A.6	CGMI	USD 2,840,000	2.00%	8.09%	N/A	05/11/2063	Monthly	340,958	317,592	(23,366)
CMBX.NA.AA.6	GS	USD 5,000,000	1.50%	1.63%	N/A	05/11/2063	Monthly	35,145	12,684	(22,461)
CMBX.NA.BBB-6	CGMI	USD 4,274,000	3.00%	22.86%	N/A	05/11/2063	Monthly	1,357,351	1,356,995	(356)
Sell Protection[^]:										
CDX.NA.HYS.27.V2-5Y	GS	USD 2,084,000	5.00%	2.33%	2,084,000 USD	12/20/2021	Quarterly	268,315	116,570	(151,745)
CDX.NA.HYS.27.V2-5Y	JPM	USD 8,600,000	5.00%	2.33%	8,600,000 USD	12/20/2021	Quarterly	1,143,800	481,048	(662,752)
CDX.NA.HYS.27.V3-5Y	BOA	USD 8,545,000	5.00%	2.33%	8,545,000 USD	12/20/2021	Quarterly	1,369,764	477,971	(891,793)
CDX.NA.HYS.27.V3-5Y	JPM	USD 7,735,000	5.00%	2.33%	7,735,000 USD	12/20/2021	Quarterly	1,096,050	432,663	(663,387)
CDX.NA.HYS.29.V6-5Y	CITI	USD 5,994,100	5.00%	3.15%	5,994,100 USD	12/20/2022	Quarterly	229,274	459,605	230,331
CDX.NA.HYS.29.V1-5Y	MORD	USD 4,264,000	5.00%	3.15%	4,264,000 USD	12/20/2022	Quarterly	644,717	326,948	(317,769)
CDX.NA.HYS.29.V1-5Y	BOA	USD 5,115,600	5.00%	3.15%	5,115,600 USD	12/20/2022	Quarterly	742,274	392,245	(350,029)
CDX.NA.HYS.31.V1-5Y	JPM	USD 18,156,815	5.00%	3.41%	18,156,815 USD	12/20/2023	Quarterly	3,615,022	2,613,856	(1,001,166)
ITRAXX.XOVERS.30.V3-5Y	JPM	EUR 1,281,711	5.00%	3.78%	1,281,711 EUR	12/20/2023	Quarterly	(953,768)	(1,181,644)	(227,876)
ITRAXX.XOVERS.30.V4-5Y	JPM	EUR 310,239	5.00%	3.78%	310,239 EUR	12/20/2023	Quarterly	(216,624)	(286,018)	(69,394)
CDX.NA.HYS.33.V3-5Y	CITI	USD 4,185,980	5.00%	3.83%	4,185,980 USD	12/20/2024	Quarterly	442,946	732,505	289,559
CDX.NA.HYS.33.V3-5Y	GS	USD 9,508,027	5.00%	3.83%	9,508,027 USD	12/20/2024	Quarterly	1,343,520	1,663,811	320,291
CDX.NA.HYS.33.V8-5Y	GS	USD 6,509,493	5.00%	3.83%	6,509,493 USD	12/20/2024	Quarterly	1,066,493	1,139,097	72,604
CDX.NA.IGS.33.V1-5Y	CITI	USD 1,472,000	1.00%	0.73%	1,472,000 USD	12/20/2024	Quarterly	(820,051)	(664,974)	155,077
CDX.NA.HYS.33.V1-5Y	GS	USD 25,942,112	5.00%	3.83%	25,942,112 USD	12/20/2024	Quarterly	5,737,747	4,539,615	(1,198,132)
ITRAXX.EUROPE.32.V1-5Y	BOA	EUR 25,000,000	1.00%	0.55%	25,000,000 EUR	12/20/2024	Quarterly	114,434	174,373	59,939
ITRAXX.EUROPE.32.V1-5Y	GS	EUR 58,940,000	1.00%	0.55%	58,940,000 EUR	12/20/2024	Quarterly	2,667,689	2,479,992	(187,697)
CMBX.NA.A.9	GS	USD 6,822,400	2.00%	3.30%	6,822,400 USD	09/17/2058	Monthly	89,487	(417,534)	(507,021)
								<u>\$26,083,782</u>	<u>\$21,680,231</u>	<u>\$(4,403,551)</u>

[^] Buy Protection - Fund pays a premium and buys credit protection. If a credit event occurs the Fund will, depending on the terms of the particular swap contract, either (i) receive from the seller of protection an amount equal to the notional amount of the swap and deliver the referenced obligation or underlying securities comprising the referenced index or (ii) receive a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

Sell Protection - Fund receives a premium and sells credit protection. If a credit event occurs the Fund will, depending on the terms of the particular swap contract, either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

GMO Opportunistic Income Fund
(A Series of GMO Trust)

Schedule of Investments — (Continued)
August 31, 2020 (Unaudited)

- (1) As of August 31, 2020, implied credit spreads in absolute terms, calculated using a model, and utilized in determining the market value of credit default swap contracts on the reference security, serve as an indicator of the current status of the payment/performance risk and reflect the likelihood or risk of default for the reference entity. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection. Wider (i.e. higher) credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the contract.
- (2) The maximum potential amount the Fund could be required to pay as a seller of credit protection if a credit event occurs as defined under the terms of that particular swap contract.

Centrally Cleared Interest Rate Swaps

Fund Pays	Fund Receives	Notional Amount	Expiration Date	Periodic Payment Frequency	Premiums Paid/ (Received) (\$)	Value (\$)	Net Unrealized Appreciation/ (Depreciation) (\$)
1.76%	3 Month USD LIBOR	USD 9,700,000	11/10/2022	Quarterly	(3,226)	(328,562)	(325,336)
0.27%	3 Month USD LIBOR	USD 3,700,000	05/22/2023	Quarterly	—	(5,057)	(5,057)
0.30%	3 Month USD LIBOR	USD 9,750,000	08/17/2024	Quarterly	—	(10,219)	(10,219)
1.41%	3 Month USD LIBOR	USD 32,360,000	08/20/2024	Quarterly	—	(1,463,447)	(1,463,447)
1.33%	3 Month USD LIBOR	USD 6,570,000	08/29/2024	Quarterly	—	(276,100)	(276,100)
1.80%	3 Month USD LIBOR	USD 18,686,000	01/18/2025	Quarterly	(12,720)	(1,235,239)	(1,222,519)
0.46%	3 Month USD LIBOR	USD 884,000	04/29/2025	Quarterly	—	(6,279)	(6,279)
0.39%	3 Month USD LIBOR	USD 4,400,000	05/28/2025	Quarterly	—	(15,926)	(15,926)
0.48%	3 Month USD LIBOR	USD 5,200,000	04/30/2026	Quarterly	—	(29,031)	(29,031)
0.48%	3 Month USD LIBOR	USD 3,200,000	05/07/2026	Quarterly	—	(18,012)	(18,012)
1.85%	3 Month USD LIBOR	USD 4,000,000	05/19/2026	Quarterly	(7,878)	(334,996)	(327,118)
0.42%	3 Month USD LIBOR	USD 3,940,000	06/04/2026	Quarterly	2,090	(8,958)	(11,048)
0.48%	3 Month USD LIBOR	USD 1,870,000	08/19/2027	Quarterly	—	794	794
0.88%	3 Month USD LIBOR	USD 6,595,000	03/06/2028	Quarterly	(15,632)	(174,490)	(158,858)
1.94%	3 Month USD LIBOR	USD 7,123,000	06/04/2028	Quarterly	(7,452)	(765,109)	(757,657)
1.95%	3 Month USD LIBOR	USD 5,500,000	07/30/2028	Quarterly	(8,135)	(601,142)	(593,007)
0.56%	3 Month USD LIBOR	USD 4,790,000	09/01/2028	Quarterly	—	3,513	3,513
1.30%	3 Month USD LIBOR	USD 10,027,000	12/19/2029	Quarterly	—	(590,359)	(590,359)
1.53%	3 Month USD LIBOR	USD 3,900,000	02/11/2030	Quarterly	—	(314,012)	(314,012)
					<u>\$(52,953)</u>	<u>\$(6,172,631)</u>	<u>\$(6,119,678)</u>

As of August 31, 2020, for the above contracts and/or agreements, the Fund had sufficient cash and/or securities to cover commitments or collateral requirements, if any, of the relevant broker or exchange.

Notes to Schedule of Investments:

- † Denominated in U.S. Dollar, unless otherwise indicated.
- (a) Investment valued using significant unobservable inputs (Note 2).
- (b) Investment valued at fair value using methods determined in good faith by the Trustees of GMO Trust or persons acting at their direction pursuant to procedures approved by the Trustees. Investment valued using significant unobservable inputs (Note 2).
- (c) All or a portion of this security has been pledged to cover margin requirements on futures and/or cleared swap contracts, collateral on OTC swap contracts, forward currency contracts, and/or written options, if any (Note 4).

- (d) The rate disclosed is the 7 day net yield as of August 31, 2020.
- (e) The rate shown represents yield-to-maturity.

For a listing of definitions of acronyms, counterparty abbreviations and currency abbreviations used throughout the Schedule of Investments as well as the derivative tables, if any, please refer to page 39

GMO U.S. Treasury Fund
(A Series of GMO Trust)
Investments Concentration Summary
August 31, 2020 (Unaudited)

<u>Asset Class Summary</u>	<u>% of Total Net Assets</u>
Short-Term Investments	99.9%
Other	0.1
	<u>100.0%</u>

GMO U.S. Treasury Fund
(A Series of GMO Trust)
Schedule of Investment
(showing percentage of total net assets)
August 31, 2020 (Unaudited)

Par Value † / Shares	Description	Value (\$)
SHORT-TERM INVESTMENTS — 99.9%		
U.S. Government — 94.7%		
29,900,000	U.S. Treasury Bill, 0.12%, due 01/07/21 ^(a)	29,887,774
39,000,000	U.S. Treasury Bill, 0.11%, due 01/21/21 ^(a)	38,983,655
15,000,000	U.S. Treasury Note, 1.25%, due 03/31/21	15,094,336
40,000,000	U.S. Treasury Note, 1.38%, due 04/30/21	40,318,750
30,000,000	U.S. Treasury Note, 1.38%, due 05/31/21	30,274,219
30,000,000	U.S. Treasury Note, 1.13%, due 06/30/21	30,242,578
30,000,000	U.S. Treasury Note, 1.13%, due 07/31/21	30,261,328
30,000,000	U.S. Treasury Note, 1.13%, due 08/31/21	30,287,109
20,000,000	U.S. Treasury Note, 1.13%, due 09/30/21	20,206,250
50,000,000	U.S. Treasury Note, Variable Rate, USBM + 0.30%, 0.41%, due 10/31/21	50,161,664
45,000,000	U.S. Treasury Note, Variable Rate, USBM + 0.15%, 0.26%, due 01/31/22	45,074,814
25,000,000	U.S. Treasury Note, 1.75%, due 02/28/22	25,599,610
	Total U.S. Government	<u>386,392,087</u>
U.S. Government Agency — 4.9%		
3,000,000	Federal Home Loan Banks, Variable Rate, SOFR + 0.12%, 0.19%, due 10/07/20	3,000,281
12,000,000	Federal Home Loan Banks, Variable Rate, SOFR + 0.13%, 0.20%, due 10/16/20	12,001,539
5,000,000	Federal Home Loan Banks, Variable Rate, SOFR + 0.09%, 0.16%, due 09/10/21	5,000,276
	Total U.S. Government Agency	<u>20,002,096</u>
Money Market Funds — 0.3%		
1,023,850	State Street Institutional Treasury Plus Money Market Fund – Premier Class, 0.03% ^(b)	1,023,850
	TOTAL SHORT-TERM INVESTMENTS (COST \$406,981,704)	<u>407,418,033</u>
	TOTAL INVESTMENTS — 99.9% (Cost \$406,981,704)	407,418,033
	Other Assets and Liabilities (net) — 0.1%	<u>476,525</u>
	TOTAL NET ASSETS — 100.0%	<u>\$407,894,558</u>

Notes to Schedule of Investments:

† Denominated in U.S. Dollar, unless otherwise indicated.

(a) The rate shown represents yield-to-maturity.

(b) The rate disclosed is the 7 day net yield as of August 31, 2020.

For a listing of definitions of acronyms, counterparty abbreviations and currency abbreviations used throughout the Schedule of Investments as well as the derivative tables, if any, please refer to page 39.

GMO Trust Funds

August 31, 2020 (Unaudited)

Portfolio Abbreviations:

144A - Securities exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional investors.

AMBAC - Insured as to the payment of principal and interest by AMBAC Assurance Corporation.

AUD BBSW - Bank Bill Swap Reference Rate denominated in Australian Dollar.

CAD LIBOR - London Interbank Offered Rate denominated in Canadian Dollar.

CHF LIBOR - London Interbank Offered Rate denominated in Swiss Franc.

CJSC - Closed Joint-Stock Company

CLO - Collateralized Loan Obligation

CMBS - Commercial Mortgage Backed Security

CMT - Constant Maturity Treasury

COFI - Cost of Funds Index

CP - Counterparty

ETF - Exchange-Traded Fund

EURIBOR - Euro Interbank Offered Rate

FGIC - Insured as to the payment of principal and interest by Financial Guaranty Insurance Corporation.

FSA - Insured as to the payment of principal and interest by Financial Security Assurance.

GBP LIBOR - London Interbank Offered Rate denominated in British Pounds.

GDP - Gross Domestic Product

JSC - Joint-Stock Company

LIBOR - London Interbank Offered Rate

NZD Bank Bill Rate - Bank Bill Rate denominated in New Zealand Dollar.

OJSC - Open Joint-Stock Company

OTC - Over-the-Counter

Reg S - Security exempt from registration under Regulation S of the Securities Act of 1933, which exempts from registration securities offered and sold outside the United States. Security may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act of 1933.

REIT - Real Estate Investment Trust

SEK STIBOR - Stockholm Interbank Offered Rate denominated in Swedish Krona.

SOFR - Secured Overnight Financing Rate

SONIA - Sterling Overnight Interbank Average Rate

TBA - To Be Announced - Delayed Delivery Security

USBM - U.S. Treasury 3 Month Bill Money Market Yield.

USD LIBOR - London Interbank Offered Rate denominated in United States Dollar.

XLCA - Insured as to the payment of principal and interest by XL Capital Assurance Inc.

The rates shown on variable rate notes are the current interest rates at August 31, 2020, which are subject to change based on the terms of the security.

Counterparty Abbreviations:

BCLY - Barclays Bank PLC

BOA - Bank of America, N.A.

CGMI - Citigroup Global Markets Inc.

CITI - Citibank N.A.

CSI - Credit Suisse International

DB - Deutsche Bank AG

GS - Goldman Sachs International

JPM - JPMorgan Chase Bank, N.A.

MORD - Morgan Stanley Capital Services LLC

MSCI - Morgan Stanley & Co.

International PLC

Currency Abbreviations:

AUD - Australian Dollar

BRL - Brazilian Real

CAD - Canadian Dollar

CHF - Swiss Franc

CLP - Chilean Peso

COP - Colombian Peso

CZK - Czech Koruna

DOP - Dominican Peso

EUR - Euro

GBP - British Pound

HUF - Hungarian Forint

IDR - Indonesian Rupiah

ILS - Israeli Shekel

INR - Indian Rupee

JPY - Japanese Yen

KRW - South Korean Won

MXN - Mexican Peso

NOK - Norwegian Krone

NZD - New Zealand Dollar

PEN - Peruvian Sol

PHP - Philippine Peso

PLN - Polish Zloty

RON - Romanian Leu

RUB - Russian Ruble

SEK - Swedish Krona

SGD - Singapore Dollar

THB - Thai Baht

TRY - Turkish Lira

TWD - Taiwan Dollar

USD - United States Dollar

ZAR - South African Rand

GMO Trust Funds

Statements of Assets and Liabilities — August 31, 2020 (Unaudited)

	Asset Allocation Bond Fund	Emerging Country Debt Fund	High Yield Fund
Assets:			
Investments in affiliated issuers, at value (Notes 2 and 10) ^(a)	\$ 5,857,830	\$ 74,784,247	\$ —
Investments in unaffiliated issuers, at value (Note 2) ^(b)	143,817,489	4,294,913,972	162,105,597
Foreign currency, at value (Note 2) ^(c)	—	1,169,162	—
Cash	—	2,753,751	—
Receivable for investments sold	—	71,559,064	—
Dividends and interest receivable	187,801	65,131,807	732,769
Unrealized appreciation on open forward currency contracts (Note 4)	—	660,940	—
Receivable for variation margin on open cleared swap contracts (Note 4)	—	—	69,858
Due from broker (Note 2)	—	10,460,150	3,147,218
Receivable for open OTC swap contracts (Note 4)	—	18,947,848	—
Interest receivable for open OTC swap contracts (Note 4)	—	373,821	—
Receivable for expenses reimbursed and/or waived by GMO (Note 5)	11,678	5,081	—
Receivable for options (Note 4) ^(d)	—	325,716	—
Miscellaneous receivable	—	1,761	—
Total assets	<u>149,874,798</u>	<u>4,541,087,320</u>	<u>166,055,442</u>
Liabilities:			
Payable for investments purchased	887	64,490,510	—
Payable for recoupment of past waived and/or reimbursement fees (Note 5)	—	—	2,483
Payable to affiliate for (Note 5):			
Management fee	31,625	1,321,981	49,018
Shareholder service fee	9,824	427,919	7,703
Payable to agents unaffiliated with GMO	54	1,212	54
Payable for variation margin on open futures contracts (Note 4)	—	—	35,445
Payable for variation margin on open cleared swap contracts (Note 4)	—	152,818	—
Unrealized depreciation on open forward currency contracts (Note 4)	—	8,239,641	202,247
Interest payable for open OTC swap contracts (Note 4)	—	507,408	—
Payable for open OTC swap contracts (Note 4)	—	14,418,910	—
Payable for options (Note 4) ^(d)	—	590,466	—
Payable to Trustees and related expenses	2,177	11,298	457
Accrued expenses	135,610	541,859	91,034
Total liabilities	<u>180,177</u>	<u>90,704,022</u>	<u>388,441</u>
Net assets	<u>\$149,694,621</u>	<u>\$4,450,383,298</u>	<u>\$165,667,001</u>
^(a) Cost of investments – affiliated issuers:	\$ 5,856,994	\$ 74,296,430	\$ —
^(b) Cost of investments – unaffiliated issuers:	\$ 128,810,946	\$ 4,529,223,087	\$ 157,656,862
^(c) Cost of foreign currency:	\$ —	\$ 1,192,283	\$ —
^(d) Premiums on options:	\$ —	\$ 6,219,516	\$ —

GMO Trust Funds

Statements of Assets and Liabilities — August 31, 2020 (Unaudited) — (Continued)

	Asset Allocation Bond Fund	Emerging Country Debt Fund	High Yield Fund
Net assets consist of:			
Paid-in capital	\$ 194,373,255	\$ 4,757,749,995	\$ 163,144,557
Distributable earnings (accumulated loss)	(44,678,634)	(307,366,697)	2,522,444
	<u><u>\$149,694,621</u></u>	<u><u>\$4,450,383,298</u></u>	<u><u>\$165,667,001</u></u>
Net assets attributable to:			
Class III	\$ 35,885,565	\$ 1,191,398,065	\$ —
Class IV	\$ —	\$ 3,258,985,233	\$ —
Class VI	\$ 113,809,056	\$ —	\$ 165,667,001
Shares outstanding:			
Class III	1,486,545	44,315,160	—
Class IV	—	121,418,767	—
Class VI	4,700,743	—	8,263,504
Net asset value per share:			
Class III	\$ 24.14	\$ 26.88	\$ —
Class IV	\$ —	\$ 26.84	\$ —
Class VI	\$ 24.21	\$ —	\$ 20.05

GMO Trust Funds

Statements of Assets and Liabilities — August 31, 2020 (Unaudited) — (Continued)

	Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)	Opportunistic Income Fund	U.S. Treasury Fund
Assets:			
Investments in affiliated issuers, at value (Notes 2 and 10) ^(a)	\$ 103,523,800	\$ 11,003,541	\$ —
Investments in unaffiliated issuers, at value (Note 2) ^(b)	310,244,024	823,989,185	407,418,033
Foreign currency, at value (Note 2) ^(c)	—	71,072	—
Cash	1,130	238,753	—
Receivable for investments sold	—	92,476	—
Receivable for Fund shares sold	—	515,825	—
Receivable for closed swap contracts (Note 4)	16,851	1,615,217	—
Dividends and interest receivable	330,265	1,880,172	587,666
Unrealized appreciation on open forward currency contracts (Note 4)	2,686,425	169,783	—
Due from broker (Note 2)	2,368,717	7,825,648	—
Receivable for variation margin on open futures contracts (Note 4)	170,666	—	—
Receivable for open OTC swap contracts (Note 4)	—	26,160,191	—
Interest receivable for open OTC swap contracts (Note 4)	—	1,275,351	—
Receivable for expenses reimbursed and/or waived by GMO (Note 5)	59,972	52,363	7,710
Total assets	<u>419,401,850</u>	<u>874,889,577</u>	<u>408,013,409</u>
Liabilities:			
Foreign currency due to custodian ^(c)	8,074	—	—
Payable for investments purchased	51,861,039	165,729	—
Payable for Fund shares repurchased	—	10,000,000	—
Payable to affiliate for (Note 5):			
Management fee	77,183	292,306	26,706
Shareholder service fee	34,298	53,062	—
Payable to agents unaffiliated with GMO	132	241	86
Payable for variation margin on open futures contracts (Note 4)	—	1,406	—
Payable for variation margin on open cleared swap contracts (Note 4)	208,101	218,331	—
Dividend payable	—	—	21,994
Unrealized depreciation on open forward currency contracts (Note 4)	3,383,121	118,503	—
Interest payable for open OTC swap contracts (Note 4)	—	490,279	—
Payable for open OTC swap contracts (Note 4)	—	4,479,960	—
Payable to Trustees and related expenses	2,239	2,688	5,620
Written options outstanding, at value (Note 4) ^(d)	—	271,190	—
Accrued expenses	126,554	219,909	64,445
Total liabilities	<u>55,700,741</u>	<u>16,313,604</u>	<u>118,851</u>
Net assets	<u>\$363,701,109</u>	<u>\$858,575,973</u>	<u>\$407,894,558</u>
^(a) Cost of investments – affiliated issuers:	\$ 106,599,495	\$ 11,003,541	\$ —
^(b) Cost of investments – unaffiliated issuers:	\$ 295,239,455	\$ 855,319,980	\$ 406,981,704
^(c) Cost of foreign currency:	\$ —	\$ 70,423	\$ —
^(d) Premiums on written options:	\$ —	\$ 457,508	\$ —

GMO Trust Funds

Statements of Assets and Liabilities — August 31, 2020 (Unaudited) — (Continued)

	Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)	Opportunistic Income Fund	U.S. Treasury Fund
Net assets consist of:			
Paid-in capital	\$ 363,939,787	\$ 953,347,638	\$ 407,554,910
Distributable earnings (accumulated loss)	(238,678)	(94,771,665)	339,648
	<u>\$363,701,109</u>	<u>\$858,575,973</u>	<u>\$407,894,558</u>
Net assets attributable to:			
Core Class	\$ —	\$ —	\$ 407,894,558
Class III	\$ 81,830,551	\$ —	\$ —
Class IV	\$ 281,870,558	\$ —	\$ —
Class VI	\$ —	\$ 692,323,321	\$ —
Class I	\$ —	\$ 166,252,652	\$ —
Shares outstanding:			
Core Class	—	—	80,971,786
Class III	3,693,113	—	—
Class IV	12,678,480	—	—
Class VI	—	26,745,605	—
Class I	—	6,432,831	—
Net asset value per share:			
Core Class	\$ —	\$ —	\$ 5.04
Class III	\$ 22.16	\$ —	\$ —
Class IV	\$ 22.23	\$ —	\$ —
Class VI	\$ —	\$ 25.89	\$ —
Class I	\$ —	\$ 25.84	\$ —

GMO Trust Funds

Statements of Operations — Six Months Ended August 31, 2020 (Unaudited)

	Asset Allocation Bond Fund	Emerging Country Debt Fund	High Yield Fund
Investment Income:			
Interest	\$ 937,726	\$ 120,533,702	\$ 1,184,791
Dividends from unaffiliated issuers	1,195	432,073	1,478,006
Dividends from affiliated issuers (Note 10)	11,957	115,761	7,267
Total investment income	<u>950,878</u>	<u>121,081,536</u>	<u>2,670,064</u>
Expenses:			
Management fee (Note 5)	206,997	7,231,875	281,607
Shareholder service fee – Class III (Note 5)	25,747	819,323	—
Shareholder service fee – Class IV (Note 5)	—	1,520,034	—
Shareholder service fee – Class VI (Note 5)	36,099	—	44,253
Audit and tax fees	41,634	84,176	36,762
Custodian, fund accounting agent and transfer agent fees	19,928	334,976	25,800
Legal fees	10,077	115,285	8,811
Registration fees	4,864	38,312	680
Trustees' fees and related expenses (Note 5)	3,274	67,344	2,445
Interest expense (Note 2)	—	95,728	1,244
Recoupment of past waived and/or reimbursed fees (Note 5)	—	—	7,278
Miscellaneous	4,366	74,002	8,349
Total expenses	<u>352,986</u>	<u>10,381,055</u>	<u>417,229</u>
Fees and expenses reimbursed and/or waived by GMO (Note 5)	(72,759)	—	—
Indirectly incurred management fees waived or borne by GMO (Note 5)	(2,884)	(30,142)	(1,839)
Net expenses	<u>277,343</u>	<u>10,350,913</u>	<u>415,390</u>
Net investment income (loss)	<u>673,535</u>	<u>110,730,623</u>	<u>2,254,674</u>
Realized and unrealized gain (loss):			
Net realized gain (loss) on:			
Investments in unaffiliated issuers	7,391,077	36,017,439	548,538
Investments in affiliated issuers	58,744	—	30,662
Futures contracts	—	—	428,985
Options	—	(7,034)	—
Swap contracts	—	33,890,132	(5,869,039)
Forward currency contracts	—	269,472	(555,894)
Foreign currency and foreign currency related transactions	—	205,803	85,096
Net realized gain (loss)	<u>7,449,821</u>	<u>70,375,812</u>	<u>(5,331,652)</u>
Change in net unrealized appreciation (depreciation) on:			
Investments in unaffiliated issuers	662,684	(108,570,493)	4,311,614
Investments in affiliated issuers	(19,006)	296,763	—
Futures contracts	—	—	(36,598)
Options	—	(1,293,884)	—
Swap contracts	—	(19,404,376)	1,929,278
Forward currency contracts	—	(9,992,586)	417,442
Foreign currency and foreign currency related transactions	—	147,934	—
Net change in unrealized appreciation (depreciation)	<u>643,678</u>	<u>(138,816,642)</u>	<u>6,621,736</u>
Net realized and unrealized gain (loss)	<u>8,093,499</u>	<u>(68,440,830)</u>	<u>1,290,084</u>
Net increase (decrease) in net assets resulting from operations	<u>\$8,767,034</u>	<u>\$ 42,289,793</u>	<u>\$3,544,758</u>

GMO Trust Funds

Statements of Operations — Six Months Ended August 31, 2020 (Unaudited) — (Continued)

	Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)	Opportunistic Income Fund	U.S. Treasury Fund
Investment Income:			
Interest	\$ 1,354,704	\$ 19,219,252	\$ 635,252
Dividends from affiliated issuers (Note 10)	1,089,506	8,083	—
Dividends from unaffiliated issuers	1,143,690	13,228	5,719
Total investment income	<u>3,587,900</u>	<u>19,240,563</u>	<u>640,971</u>
Expenses:			
Management fee (Note 5)	496,879	1,537,235	138,513
Shareholder service fee – Class III (Note 5)	56,565	—	—
Shareholder service fee – Class IV (Note 5)	161,042	—	—
Shareholder service fee – Class VI (Note 5)	—	195,276	—
Shareholder service fee – Class I (Note 5)	—	43,892	—
Audit and tax fees	41,634	66,289	16,986
Custodian, fund accounting agent and transfer agent fees	79,112	125,121	31,680
Legal fees	17,657	13,580	8,366
Registration fees	4,828	18,144	1,848
Trustees' fees and related expenses (Note 5)	7,575	12,926	4,732
Interest expense (Note 2)	9,907	709	—
Miscellaneous	6,161	18,735	4,027
Total expenses	<u>881,360</u>	<u>2,031,907</u>	<u>206,152</u>
Fees and expenses reimbursed and/or waived by GMO (Note 5)	(136,615)	(207,593)	(58,506)
Indirectly incurred management fees waived or borne by GMO (Note 5)	(204,788)	(2,070)	—
Indirectly incurred shareholder service fees waived or borne by GMO (Note 5)	(32,515)	—	—
Net expenses	<u>507,442</u>	<u>1,822,244</u>	<u>147,646</u>
Net investment income (loss)	<u>3,080,458</u>	<u>17,418,319</u>	<u>493,325</u>
Realized and unrealized gain (loss):			
Net realized gain (loss) on:			
Investments in unaffiliated issuers	3,161,732	(761,000)	898,838
Investments in affiliated issuers	(1,270,643)	61,299	—
Realized gain distributions from affiliated issuers (Note 10)	220,820	—	—
Futures contracts	6,171,866	801,368	—
Written options	—	(57,708)	—
Swap contracts	7,657,696	5,174,925	—
Forward currency contracts	(1,715,010)	1,012	—
Foreign currency and foreign currency related transactions	(827,111)	5,047	—
Net realized gain (loss)	<u>13,399,350</u>	<u>5,224,943</u>	<u>898,838</u>
Change in net unrealized appreciation (depreciation) on:			
Investments in unaffiliated issuers	1,040,493	(29,763,245)	(237,879)
Investments in affiliated issuers	(744,796)	(40,861)	—
Futures contracts	(1,778,156)	(68,554)	—
Written Options	—	1,694,138	—
Swap contracts	(4,234,309)	4,088,374	—
Forward currency contracts	495,613	82,246	—
Foreign currency and foreign currency related transactions	1,918	(3,996)	—
Net change in unrealized appreciation (depreciation)	<u>(5,219,237)</u>	<u>(24,011,898)</u>	<u>(237,879)</u>
Net realized and unrealized gain (loss)	<u>8,180,113</u>	<u>(18,786,955)</u>	<u>660,959</u>
Net increase (decrease) in net assets resulting from operations	<u>\$11,260,571</u>	<u>\$(1,368,636)</u>	<u>\$1,154,284</u>

GMO Trust Funds

Statements of Changes in Net Assets

	Asset Allocation Bond Fund		Emerging Country Debt Fund	
	Six Months Ended August 31, 2020 (Unaudited)	Year Ended February 29, 2020	Six Months Ended August 31, 2020 (Unaudited)	Year Ended February 29, 2020
Increase (decrease) in net assets:				
Operations:				
Net investment income (loss)	\$ 673,535	\$ 7,889,067	\$ 110,730,623	\$ 221,319,017
Net realized gain (loss)	7,449,821	6,054,299	70,375,812	111,192,411
Change in net unrealized appreciation (depreciation)	643,678	15,537,386	(138,816,642)	27,585,038
Net increase (decrease) in net assets from operations	8,767,034	29,480,752	42,289,793	360,096,466
Distributions to shareholders:				
Class III	(72,392)	(2,812,796)	(30,738,803)	(86,984,349)
Class IV	—	—	(85,667,038)	(184,491,074)
Class VI	(251,385)	(10,562,420)	—	—
Total distributions	(323,777)	(13,375,216)	(116,405,841)	(271,475,423)
Net share transactions (Note 9):				
Class III	(7,231,868)	(44,781,434)	68,994,032	(193,723,603)
Class IV	—	—	99,873,983	310,461,408
Class VI	(85,050,607)	(126,433,401)	—	—
Increase (decrease) in net assets resulting from net share transactions	(92,282,475)	(171,214,835)	168,868,015	116,737,805
Purchase premiums and redemption fees (Notes 2 and 9):				
Class III	—	—	677,525	1,185,127
Class IV	—	—	1,911,308	2,605,465
Increase (decrease) in net assets resulting from purchase premiums and redemption fees	—	—	2,588,833	3,790,592
Total increase (decrease) in net assets resulting from net share transactions, purchase premiums and redemption fees	(92,282,475)	(171,214,835)	171,456,848	120,528,397
Total increase (decrease) in net assets	(83,839,218)	(155,109,299)	97,340,800	209,149,440
Net assets:				
Beginning of period	233,533,839	388,643,138	4,353,042,498	4,143,893,058
End of period	\$149,694,621	\$ 233,533,839	\$4,450,383,298	\$4,353,042,498

GMO Trust Funds

Statements of Changes in Net Assets — (Continued)

	High Yield Fund		Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)	
	Six Months Ended August 31, 2020 (Unaudited)	Year Ended February 29, 2020	Six Months Ended August 31, 2020 (Unaudited)	Year Ended February 29, 2020
Increase (decrease) in net assets:				
Operations:				
Net investment income (loss)	\$ 2,254,674	\$ 4,998,965	\$ 3,080,458	\$ 15,443,713
Net realized gain (loss)	(5,331,652)	13,609,310	13,399,350	33,693,622
Change in net unrealized appreciation (depreciation)	6,621,736	(3,757,036)	(5,219,237)	23,835,389
Net increase (decrease) in net assets from operations	3,544,758	14,851,239	11,260,571	72,972,724
Distributions to shareholders:				
Class III	—	—	(2,551,326)	(4,223,692)
Class IV	—	—	(9,048,529)	(27,712,585)
Class VI	(1,296,440)	(16,679,907)	—	—
Total distributions	(1,296,440)	(16,679,907)	(11,599,855)	(31,936,277)
Net share transactions (Note 9):				
Class III	—	—	1,398,480	(8,936,625)
Class IV	—	—	(167,652,043)	(166,424,406)
Class VI	1,969,203	(49,483,824)	—	—
Increase (decrease) in net assets resulting from net share transactions	1,969,203	(49,483,824)	(166,253,563)	(175,361,031)
Total increase (decrease) in net assets	4,217,521	(51,312,492)	(166,592,847)	(134,324,584)
Net assets:				
Beginning of period	161,449,480	212,761,972	530,293,956	664,618,540
End of period	\$165,667,001	\$161,449,480	\$ 363,701,109	\$ 530,293,956

GMO Trust Funds

Statements of Changes in Net Assets — (Continued)

	Opportunistic Income Fund		U.S. Treasury Fund	
	Six Months Ended August 31, 2020 (Unaudited)	Year Ended February 29, 2020	Six Months Ended August 31, 2020 (Unaudited)	Year Ended February 29, 2020
Increase (decrease) in net assets:				
Operations:				
Net investment income (loss)	\$ 17,418,319	\$ 51,863,736	\$ 493,325	\$ 9,860,244
Net realized gain (loss)	5,224,943	5,513,015	898,838	1,018,767
Change in net unrealized appreciation (depreciation)	(24,011,898)	(7,623,564)	(237,879)	864,705
Net increase (decrease) in net assets from operations	(1,368,636)	49,753,187	1,154,284	11,743,716
Distributions to shareholders:				
Core Class	—	—	(492,200)	(9,860,244)
Class VI	(7,315,089)	(48,827,021)	—	—
Class I	(431,114)	(249,504)*	—	—
Total distributions	(7,746,203)	(49,076,525)	(492,200)	(9,860,244)
Net share transactions (Note 9):				
Core Class	—	—	184,470,847	(414,899,246)
Class VI	(123,421,071)	(176,144,018)	—	—
Class I	142,551,991	22,560,690*	—	—
Increase (decrease) in net assets resulting from net share transactions	19,130,920	(153,583,328)	184,470,847	(414,899,246)
Purchase premiums and redemption fees (Notes 2 and 9):				
Class VI	—	320,758	—	—
Increase (decrease) in net assets resulting from purchase premiums and redemption fees	—	320,758	—	—
Total increase (decrease) in net assets resulting from net share transactions, purchase premiums and redemption fees	10,016,081	(152,585,908)	185,132,931	(413,015,774)
Net assets:				
Beginning of period	848,559,892	1,001,145,800	222,761,627	635,777,401
End of period	\$ 858,575,973	\$ 848,559,892	\$407,894,558	\$ 222,761,627

* Period from November 5, 2019 (commencement of operations) through February 29, 2020.

GMO Trust Funds

Financial Highlights

(For a share outstanding throughout each period)

ASSET ALLOCATION BOND FUND

	Class III Shares						Class VI Shares					
	Six Months Ended August 31, 2020 (Unaudited)	Year Ended February 28/29,					Six Months Ended August 31, 2020 (Unaudited)	Year Ended February 28/29,				
		2020	2019	2018	2017	2016		2020	2019	2018	2017	2016
Net asset value, beginning of period	\$ 22.66	\$ 21.61	\$ 21.95	\$ 22.15	\$ 22.16	\$ 26.36	\$ 22.72	\$ 21.67	\$ 22.02	\$ 22.23	\$ 22.21	\$ 26.40
Income (loss) from investment operations:												
Net investment income (loss) ^{(a)†}	0.09	0.55	0.54	0.33	0.18	0.01	0.10	0.56	0.57	0.36	0.21	0.06
Net realized and unrealized gain (loss)	1.44	1.52	0.18	(0.31)	(0.19)	(2.58)	1.44	1.53	0.18	(0.33)	(0.19)	(2.61)
Total from investment operations	1.53	2.07	0.72	0.02	(0.01)	(2.57)	1.54	2.09	0.75	0.03	0.02	(2.55)
Less distributions to shareholders:												
From net investment income	(0.05)	(1.02)	(1.06)	(0.22)	—	(1.63)	(0.05)	(1.04)	(1.10)	(0.24)	—	(1.64)
Total distributions	(0.05)	(1.02)	(1.06)	(0.22)	—	(1.63)	(0.05)	(1.04)	(1.10)	(0.24)	—	(1.64)
Net asset value, end of period	\$ 24.14	\$ 22.66	\$ 21.61	\$ 21.95	\$ 22.15	\$ 22.16	\$ 24.21	\$ 22.72	\$ 21.67	\$ 22.02	\$ 22.23	\$ 22.21
Total Return^(b)	6.75%**	9.74%	3.37%	0.07%	(0.05)%	(9.88)%	6.80%**	9.83%	3.48%	0.12%	0.09%	(9.79)%
Ratios/Supplemental Data:												
Net assets, end of period (000's)	\$35,886	\$41,124	\$82,801	\$207,008	\$282,272	\$352,828	\$113,809	\$192,410	\$305,842	\$1,019,135	\$1,209,721	\$1,888,505
Net operating expenses to average daily net assets	0.41% ^{(c)*}	0.40% ^(c)	0.41% ^(c)	0.41%	0.41% ^(c)	0.40% ^(c)	0.32% ^{(c)*}	0.31% ^(c)	0.31% ^(c)	0.31%	0.31% ^(c)	0.31% ^(c)
Interest and/or dividend expenses and/or borrowing costs to average daily net assets ^(d)	—	0.00% ^(c)	0.00% ^(c)	0.00% ^(c)	0.00% ^(c)	0.02%	—	0.00% ^(c)	0.00% ^(c)	0.00% ^(c)	0.00% ^(c)	0.02%
Total net expenses to average daily net assets	0.41% ^{(c)*}	0.40% ^(c)	0.41% ^(c)	0.41%	0.41% ^(c)	0.42% ^(c)	0.32% ^{(c)*}	0.31% ^(c)	0.31% ^(c)	0.31%	0.31% ^(c)	0.33% ^(c)
Net investment income (loss) to average daily net assets ^(a)	0.77%*	2.49%	2.48%	1.50%	0.81%	0.03%	0.82%*	2.49%	2.57%	1.59%	0.94%	0.27%
Portfolio turnover rate	19% ^{(f)**}	16% ^(f)	59% ^(f)	89%	130% ^(f)	177%	19% ^{(f)**}	16% ^(f)	59% ^(f)	89%	130% ^(f)	177%
Fees and expenses reimbursed and/or waived by GMO to average daily net assets:	0.09% ^{(g)*}	0.06% ^(g)	0.04%	0.02%	0.02%	0.03%	0.09% ^{(g)*}	0.06% ^(g)	0.04%	0.02%	0.02%	0.03%

^(a) Net investment income is affected by the timing of the declaration of dividends by the other GMO Funds and/or other investment companies in which the Fund invests, if any.

^(b) The total returns would have been lower had certain expenses not been reimbursed and/or waived during the periods shown, if applicable, and assumes the effect of reinvested distributions, if any. Calculation excludes purchase premiums and redemption fees which are borne by the shareholder purchasing or redeeming Fund shares, if any.

^(c) Net expenses exclude expenses incurred indirectly through investment in the underlying funds (Note 5).

^(d) Interest expense incurred as a result of entering into reverse repurchase agreements and/or margin on cleared swap contracts, if any, is included in the Fund's net expenses. Income earned on investing proceeds from reverse repurchase agreements, if any, is included in interest income.

^(e) Rounds to less than 0.01%.

^(f) The portfolio turnover rate excludes investments in GMO U.S. Treasury Fund ("USTF") which is used as a short-term investment vehicle for cash management. The Fund's portfolio turnover rate during the period ended August 31, 2020, and the years ended February 29, 2020, February 28, 2019 and February 28, 2017, including transactions in USTF, was 25%, 37%, 88% and 126%, respectively, of the average value of its portfolio.

^(g) Ratio includes indirect fees waived or borne by GMO.

† Calculated using average shares outstanding throughout the period.

* Annualized.

** Not annualized.

GMO Trust Funds

Financial Highlights

(For a share outstanding throughout each period)

EMERGING COUNTRY DEBT FUND

	Class III Shares						Class IV Shares					
	Six Months Ended August 31, 2020 (Unaudited)	Year Ended February 28/29,					Six Months Ended August 31, 2020 (Unaudited)	Year Ended February 28/29,				
		2020	2019	2018	2017 ^(a)	2016 ^(a)		2020	2019	2018	2017 ^(a)	2016 ^(a)
Net asset value, beginning of period	\$ 27.38	\$ 26.82	\$ 28.62	\$ 28.99	\$ 26.01	\$ 28.47	\$ 27.34	\$ 26.77	\$ 28.57	\$ 28.95	\$ 25.98	\$ 28.44
Income (loss) from investment operations:												
Net investment income (loss) ^{(b)†}	0.68	1.44	1.36	1.36	1.94	1.53	0.68	1.43	1.37	1.39	1.95	1.53
Net realized and unrealized gain (loss)	(0.47)	0.91	(1.19)	0.32	3.01 ^(c)	(2.04)	(0.46)	0.94	(1.19)	0.29	3.01 ^(c)	(2.01)
Total from investment operations	0.21	2.35	0.17	1.68	4.95	(0.51)	0.22	2.37	0.18	1.68	4.96	(0.48)
Less distributions to shareholders:												
From net investment income	(0.40)	(1.79)	(1.97)	(2.05)	(1.97)	(1.95)	(0.41)	(1.80)	(1.98)	(2.06)	(1.99)	(1.98)
From net realized gains	(0.31)	—	—	—	—	—	(0.31)	—	—	—	—	—
Total distributions	(0.71)	(1.79)	(1.97)	(2.05)	(1.97)	(1.95)	(0.72)	(1.80)	(1.98)	(2.06)	(1.99)	(1.98)
Net asset value, end of period	\$ 26.88	\$ 27.38	\$ 26.82	\$ 28.62	\$ 28.99	\$ 26.01	\$ 26.84	\$ 27.34	\$ 26.77	\$ 28.57	\$ 28.95	\$ 25.98
Total Return^(d)	0.92%**	8.97%	0.97%	5.81%	19.47%	(1.77)%	0.95%**	9.08%	1.02%	5.83%	19.50%	(1.73)%
Ratios/Supplemental Data:												
Net assets, end of period (000's)	\$1,191,398	\$1,133,945	\$1,294,577	\$1,273,188	\$1,067,086	\$827,667	\$3,258,985	\$3,219,098	\$2,849,316	\$2,862,977	\$3,018,159	\$3,099,809
Net operating expenses to average daily net assets ^(e)	0.54%*	0.53%	0.52%	0.53%	0.54%	0.54%	0.49%*	0.48%	0.47%	0.48%	0.49%	0.49%
Interest and/or dividend expenses and/or borrowing costs to average daily net assets ^(f)	0.00% ^(g) *	0.01%	0.02%	0.00% ^(g)	—	0.00% ^(g)	0.00% ^(g) *	0.01%	0.02%	0.00% ^(g)	—	0.00% ^(g)
Total net expenses to average daily net assets ^(e)	0.54%*	0.54%	0.54%	0.53%	0.54%	0.54%	0.49%*	0.49%	0.49%	0.48%	0.49%	0.49%
Net investment income (loss) to average daily net assets ^(b)	5.33%*	5.23%	4.99%	4.57%	6.76%	5.58%	5.37%*	5.22%	5.04%	4.67%	6.81%	5.60%
Portfolio turnover rate	29% ^{(h)**}	41% ^(h)	15% ^(h)	34% ^(h)	21% ^(h)	20%	29% ^{(h)**}	41% ^(h)	15% ^(h)	34% ^(h)	21% ^(h)	20%
Fees and expenses reimbursed and/or waived by GMO to average daily net assets ⁽ⁱ⁾	0.00% ^(g) *	0.00% ^(g)	0.00% ^(g)	0.00% ^(g)	0.00% ^(g)	0.00% ^(g)	0.00% ^(g) *	0.00% ^(g)	0.00% ^(g)	0.00% ^(g)	0.00% ^(g)	0.00% ^(g)
Purchase premiums and redemption fees consisted of the following per share amounts (Note 2):†	\$ 0.02	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.04 ^(a)	\$ 0.04 ^(a)	\$ 0.02	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.04 ^(a)	\$ 0.04 ^(a)

(a) Per share amounts were adjusted to reflect a 1:3 reverse stock split effective July 15, 2016.

(b) Net investment income is affected by the timing of the declaration of dividends by the other GMO Funds and/or other investment companies in which the Fund invests, if any.

(c) Includes realized gain per share of \$0.23 and \$0.23, respectively, as a result of litigation on Argentinian sovereign debt. Excluding this income, the Fund's realized gain per share would have been \$2.78 and \$2.78, respectively.

(d) The total returns would have been lower had certain expenses not been reimbursed and/or waived during the periods shown, if applicable, and assumes the effect of reinvested distributions, if any. Calculation excludes purchase premiums and redemption fees which are borne by the shareholder purchasing or redeeming Fund shares, if any.

(e) Net expenses exclude expenses incurred indirectly through investment in the underlying funds (Note 5).

(f) Interest and dividend expense and/or borrowing costs incurred as a result of entering into reverse repurchase agreements or securities sold short, if any, is included in the Fund's net expenses. Income earned on investing proceeds from reverse repurchase agreements, if any, is included in interest income.

(g) Rounds to less than 0.01%.

(h) The portfolio turnover rate excludes investments in GMO U.S. Treasury Fund ("USTF") which is used as a short-term investment vehicle for cash management. The Fund's portfolio turnover rate during the period ended August 31, 2020, and the years ended February 29, 2020, February 28, 2019, February 28, 2018 and February 28, 2017, including transactions in USTF, was 28%, 40%, 15%, 33% and 23%, respectively, of the average value of its portfolio.

(i) Ratio includes indirect fees waived or borne by GMO.

† Calculated using average shares outstanding throughout the period.

* Annualized.

** Not annualized.

GMO Trust Funds

Financial Highlights

(For a share outstanding throughout each period)

HIGH YIELD FUND

	Class VI Shares		
	Six Months Ended August 31, 2020 (Unaudited)	Year Ended February 29, 2020	Period From June 25, 2018 (commencement of operations) through February 28, 2019
Net asset value, beginning of period	\$ 19.94	\$ 20.21	\$ 20.00
Income (loss) from investment operations:			
Net investment income (loss) ^{(a)†}	0.27	0.48	0.27
Net realized and unrealized gain (loss)	0.02	0.82	0.71
Total from investment operations	0.29	1.30	0.98
Less distributions to shareholders:			
From net investment income	(0.16)	(1.57)	(0.61)
From net realized gains	(0.02)	—	(0.16)
Total distributions	(0.18)	(1.57)	(0.77)
Net asset value, end of period	\$ 20.05	\$ 19.94	\$ 20.21
Total Return^(b)	1.49% ^{**}	6.40%	5.07% ^{**}
Ratios/Supplemental Data:			
Net assets, end of period (000's)	\$165,667	\$161,449	\$212,762
Net operating expenses to average daily net assets ^{(c)(d)}	0.52%*	0.52%	0.51%*
Interest and/or dividend expenses and/or borrowing costs to average daily net assets ^(e)	0.00% ^(g) *	0.03%	0.04%*
Total net expenses to average daily net assets ^{(c)(d)}	0.52%*	0.55%	0.55%*
Net investment income (loss) to average daily net assets ^(a)	2.80%*	2.34%	2.00%*
Portfolio turnover rate ^(f)	199% ^{**}	105%	81% ^{**}
Fees and expenses reimbursed and/or waived by GMO to average daily net assets:	0.00% ^{(g)(h)*}	0.00% ^{(g)(h)}	0.12%*

^(a) Net investment income is affected by the timing of the declaration of dividends by the other GMO Funds and/or other investment companies in which the Fund invests, if any.

^(b) The total returns would have been lower had certain expenses not been reimbursed and/or waived during the periods shown, if applicable, and assumes the effect of reinvested distributions, if any. Calculation excludes purchase premiums and redemption fees which are borne by the shareholder purchasing or redeeming Fund shares, if any.

^(c) Net expenses exclude expenses incurred indirectly through investment in the underlying funds (Note 5).

^(d) Includes recoupment of past reimbursed and/or waived fees (Note 5).

^(e) Interest expense incurred as a result of entering into reverse repurchase agreements and/or margin on cleared swap contracts, if any, is included in the Fund's net expenses. Income earned on investing proceeds from reverse repurchase agreements, if any, is included in interest income.

^(f) The portfolio turnover rate excludes investments in GMO U.S. Treasury Fund ("USTF") which is used as a short-term investment vehicle for cash management. The Fund's portfolio turnover rate during the period ended August 31, 2020, and the years ended February 29, 2020 and February 28, 2019, including transactions in USTF, was 216%, 214% and 159%, respectively, of the average value of its portfolio.

^(g) Rounds to less than 0.01%.

^(h) Ratio includes indirect fees waived or borne by GMO.

† Calculated using average shares outstanding throughout the period.

* Annualized.

** Not annualized.

GMO Trust Funds

Financial Highlights

(For a share outstanding throughout each period)

MULTI-SECTOR FIXED INCOME FUND (FORMERLY CORE PLUS BOND FUND)

	Class III Shares					Class IV Shares						
	Six Months Ended August 31, 2020 (Unaudited)	Year Ended February 28/29,					Six Months Ended August 31, 2020 (Unaudited)	Year Ended February 28/29,				
		2020	2019	2018	2017 ^(a)	2016 ^(a)		2020	2019	2018	2017 ^(a)	2016 ^(a)
Net asset value, beginning of period	\$ 22.19	\$ 20.88	\$ 20.93	\$ 21.10	\$ 21.39	\$ 23.43	\$ 22.26	\$ 20.94	\$ 20.98	\$ 21.15	\$ 21.45	\$ 23.49
Income (loss) from investment operations:												
Net investment income (loss) ^{(b)†}	0.18	0.53	0.51	0.41	0.26	0.24	0.17	0.54	0.48	0.46	0.24	0.27
Net realized and unrealized gain (loss)	0.52	2.01	0.49	(0.06)	0.25	(1.14)	0.53	2.02	0.53	(0.10)	0.29	(1.17)
Total from investment operations	0.70	2.54	1.00	0.35	0.51	(0.90)	0.70	2.56	1.01	0.36	0.53	(0.90)
Less distributions to shareholders:												
From net investment income	—	(0.64)	(1.05)	(0.52)	(0.80)	(1.14)	—	(0.65)	(1.05)	(0.53)	(0.83)	(1.14)
From net realized gains	(0.73)	(0.59)	—	—	—	—	(0.73)	(0.59)	—	—	—	—
Total distributions	(0.73)	(1.23)	(1.05)	(0.52)	(0.80)	(1.14)	(0.73)	(1.24)	(1.05)	(0.53)	(0.83)	(1.14)
Net asset value, end of period	\$ 22.16	\$ 22.19	\$ 20.88	\$ 20.93	\$ 21.10	\$ 21.39	\$ 22.23	\$ 22.26	\$ 20.94	\$ 20.98	\$ 21.15	\$ 21.45
Total Return^(c)	3.19%**	12.38%	4.88%	1.61%	2.44%	(3.93)%	3.18%**	12.44%	4.93%	1.68%	2.55%	(3.91)%
Ratios/Supplemental Data:												
Net assets, end of period (000's)	\$81,831	\$80,639	\$84,163	\$34,641	\$22,172	\$52,187	\$281,871	\$449,655	\$580,456	\$920,637	\$566,433	\$215,060
Net operating expenses to average daily net assets ^(d)	0.30%*	0.29%	0.29%	0.29%	0.35%	0.35%	0.25%*	0.24%	0.24%	0.24%	0.30%	0.30%
Interest and/or dividend expenses and/or borrowing costs to average daily net assets ^(e)	0.00% ^{(f)*}	0.00% ^(f)	0.00% ^(f)	0.00% ^(f)	0.00% ^(f)	0.01%	0.00% ^{(f)*}	0.00% ^(f)	0.00% ^(f)	0.00% ^(f)	0.00% ^(f)	0.01%
Total net expenses to average daily net assets ^(d)	0.30%*	0.29%	0.29%	0.29%	0.35%	0.36%	0.25%*	0.24%	0.24%	0.24%	0.30%	0.31%
Net investment income (loss) to average daily net assets ^(b)	1.58%*	2.43%	2.41%	1.91%	1.21%	1.14%	1.54%*	2.47%	2.29%	2.14%	1.10%	1.17%
Portfolio turnover rate	114% ^{(g)**}	215% ^(g)	201% ^(g)	198% ^(g)	216% ^(g)	21%	114% ^{(g)**}	215% ^(g)	201% ^(g)	198% ^(g)	216% ^(g)	21%
Fees and expenses reimbursed and/or waived by GMO to average daily net assets: ^(h)	0.19%*	0.16%	0.16%	0.14%	0.30%	0.21%	0.19%*	0.16%	0.15%	0.14%	0.26%	0.21%

^(a) Per share amounts were adjusted to reflect a 1:3 reverse stock split effective July 15, 2016.

^(b) Net investment income is affected by the timing of the declaration of dividends by the other GMO Funds and/or other investment companies in which the Fund invests, if any.

^(c) The total returns would have been lower had certain expenses not been reimbursed and/or waived during the periods shown, if applicable, and assumes the effect of reinvested distributions, if any. Calculation excludes purchase premiums and redemption fees which are borne by the shareholder purchasing or redeeming Fund shares, if any.

^(d) Net expenses exclude expenses incurred indirectly through investment in the underlying funds (Note 5).

^(e) Interest and dividend expense and/or borrowing costs incurred as a result of entering into reverse repurchase agreements or securities sold short, if any, is included in the Fund's net expenses. Income earned on investing proceeds from reverse repurchase agreements, if any, is included in interest income.

^(f) Rounds to less than 0.01%.

^(g) The portfolio turnover rate excludes investments in GMO U.S. Treasury Fund ("USTF") which is used as a short-term investment vehicle for cash management. The Fund's portfolio turnover rate during the period ended August 31, 2020, and the years ended February 29, 2020, February 28, 2019, February 28, 2018 and February 28, 2017, including transactions in USTF, was 157%, 285%, 250%, 221% and 325%, respectively, of the average value of its portfolio.

^(h) Ratio includes indirect fees waived or borne by GMO.

† Calculated using average shares outstanding throughout the period.

* Annualized.

** Not annualized.

GMO Trust Funds

Financial Highlights

(For a share outstanding throughout each period)

OPPORTUNISTIC INCOME FUND

	Class VI Shares					Class I Shares		
	Six Months Ended August 31, 2020 (Unaudited)	Year Ended February 28/29				Six Months Ended August 31, 2020 (Unaudited)	Period from November 5, 2019 (commencement of operations) through February 29, 2020	
		2020	2019	2018	2017			2016
Net asset value, beginning of period	\$ 26.15	\$ 26.21	\$ 26.41	\$ 25.78	\$ 24.57	\$ 24.80	\$ 26.12	\$ 26.85
Income (loss) from investment operations:								
Net investment income (loss) ^{(a)†}	0.58	1.46	1.32	1.15	0.96	0.53	0.52	0.54
Net realized and unrealized gain (loss)	(0.56)	(0.06)	(0.38)	0.18	0.89	(0.34)	(0.54)	(0.08)
Total from investment operations	0.02	1.40	0.94	1.33	1.85	0.19	(0.02)	0.46
Less distributions to shareholders:								
From net investment income	(0.28)	(1.46)	(1.14)	(0.70)	(0.64)	(0.42)	(0.26)	(1.19)
Total distributions	(0.28)	(1.46)	(1.14)	(0.70)	(0.64)	(0.42)	(0.26)	(1.19)
Net asset value, end of period	\$ 25.89	\$ 26.15	\$ 26.21	\$ 26.41	\$ 25.78	\$ 24.57 ^(b)	\$ 25.84	\$ 26.12
Total Return^(c)	0.08% ^{**}	5.45%	3.58%	5.18%	7.62%	0.77%	(0.05)% ^{**}	1.80% ^{**}
Ratios/Supplemental Data:								
Net assets, end of period (000's)	\$692,323	\$825,876	\$1,001,146	\$1,205,954	\$1,510,894	\$1,648,019	\$166,253	\$22,684
Net operating expenses to average daily net assets ^(d)	0.46%*	0.47%	0.49%	0.47%	0.33%	0.31%	0.65%*	0.66%*
Interest and/or dividend expenses and/or borrowing costs to average daily net assets ^(e)	0.00% ^{(f)*}	0.00% ^(f)	0.00% ^(f)	0.00% ^(f)	0.00% ^(f)	0.00% ^(f)	0.00% ^{(f)*}	0.00% ^{(f)*}
Total net expenses to average daily net assets ^(d)	0.46%*	0.47%	0.49%	0.47%	0.33%	0.31%	0.65%*	0.66%*
Net investment income (loss) to average daily net assets ^(a)	4.58%*	5.50%	4.99%	4.39%	3.82%	2.13%	4.01%*	6.55%*
Portfolio turnover rate	14% ^{(g)**}	47% ^(g)	75% ^(g)	152% ^(g)	66% ^(g)	66%	14% ^{(g)**}	47% ^{(g)**}
Fees and expenses reimbursed and/or waived by GMO to average daily net assets:	0.05% ^{(h)*}	0.04% ^(h)	0.04%	0.03%	0.04%	0.03%	0.08% ^{(h)*}	0.07% ^{(h)*}
	\$ —	\$ 0.01	\$ 0.05	\$ 0.04	\$ 0.03	\$ 0.04	\$ —	\$ —

^(a) Net investment income is affected by the timing of the declaration of dividends by the other GMO Funds and/or other investment companies in which the Fund invests, if any.

^(b) Beginning December 21, 2015 the pricing source for certain fixed income assets of the Fund changed, which resulted in an increase in the December 21, 2015 net asset value of the Fund by \$0.04 per share.

^(c) The total returns would have been lower had certain expenses not been reimbursed and/or waived during the periods shown, if applicable, and assumes the effect of reinvested distributions, if any. Calculation excludes purchase premiums and redemption fees which are borne by the shareholder purchasing or redeeming Fund shares, if any.

^(d) Net expenses exclude expenses incurred indirectly through investment in the underlying funds (Note 5).

^(e) Interest expense incurred as a result of entering into reverse repurchase agreements and/or margin on cleared swap contracts, if any, is included in the Fund's net expenses. Income earned on investing proceeds from reverse repurchase agreements, if any, is included in interest income.

^(f) Rounds to less than 0.01%.

^(g) The portfolio turnover rate excludes investments in GMO U.S. Treasury Fund ("USTF") which is used as a short-term investment vehicle for cash management. The Fund's portfolio turnover rate during the period ended August 31, 2020, and the years ended February 29, 2020, February 28, 2019, February 28, 2018 and February 28, 2017, including transactions in USTF, was 17%, 48%, 83%, 175% and 75%, respectively, of the average value of its portfolio.

^(h) Ratio includes indirect fees waived or borne by GMO.

† Calculated using average shares outstanding throughout the period.

* Annualized.

** Not annualized.

GMO Trust Funds

Financial Highlights

(For a share outstanding throughout each period)

U.S. TREASURY FUND

	Core Shares					
	Six Months Ended August 31, 2020 (Unaudited)	Year Ended February 28/29,				
		2020	2019 ^(a)	2018 ^(a)	2017 ^(a)	2016 ^(a)
Net asset value, beginning of period	\$ 5.02	\$ 5.00	\$ 5.00	\$ 5.01	\$ 5.01	\$ 5.01
Income (loss) from investment operations:						
Net investment income (loss) [†]	0.01	0.10	0.10	0.05	0.02	0.01
Net realized and unrealized gain (loss)	0.02	0.02	0.01	(0.01)	0.00 ^(b)	0.00 ^(b)
Total from investment operations	0.03	0.12	0.11	0.04	0.02	0.01
Less distributions to shareholders:						
From net investment income	(0.01)	(0.10)	(0.11)	(0.05)	(0.02)	(0.01)
From net realized gains	—	—	—	—	(0.00) ^(b)	(0.00) ^(b)
Total distributions	(0.01)	(0.10)	(0.11)	(0.05)	(0.02)	(0.01)
Net asset value, end of period	\$ 5.04	\$ 5.02	\$ 5.00	\$ 5.00	\$ 5.01	\$ 5.01
Total Return^(c)	0.55%**	2.47%	2.16%	0.96%	0.54%	0.19%
Ratios/Supplemental Data:						
Net assets, end of period (000's)	\$407,895	\$222,762	\$635,777	\$2,324,706	\$2,666,697	\$4,033,504
Net expenses to average daily net assets	0.09% *	0.06%	0.00 % ^(d)	0.00 % ^(d)	0.00 % ^(d)	0.00 % ^(d)
Net investment income (loss) to average daily net assets	0.28% *	2.03%	1.97%	1.06%	0.47%	0.16%
Portfolio turnover rate ^(e)	0% **	0%	0%	0%	0%	0%
Fees and expenses reimbursed and/or waived by GMO to average daily net assets:	0.03% *	0.05%	0.10%	0.09%	0.10%	0.10%

^(a) Per share amounts were adjusted to reflect an approximate 5 for 1 stock split effective December 6, 2018.

^(b) Rounds to less than \$0.01.

^(c) The total returns would have been lower had certain expenses not been reimbursed and/or waived during the periods shown, if applicable, and assumes the effect of reinvested distributions, if any. Calculation excludes purchase premiums and redemption fees which are borne by the shareholder purchasing or redeeming Fund shares, if any.

^(d) Rounds to less than 0.01%.

^(e) Portfolio turnover rate calculation excludes short-term investments.

[†] Calculated using average shares outstanding throughout the period.

* Annualized.

** Not annualized.

GMO Trust Funds

Notes to Financial Statements August 31, 2020 (Unaudited)

1. Organization

Each of Asset Allocation Bond Fund, Emerging Country Debt Fund, High Yield Fund, Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund), Opportunistic Income Fund and U.S. Treasury Fund (each a “Fund” and collectively the “Funds”) is a series of GMO Trust (the “Trust”). The Trust is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company. The Trust was established as a Massachusetts business trust under the laws of The Commonwealth of Massachusetts on June 24, 1985. The Declaration of Trust permits the Trustees of the Trust (“Trustees”) to create an unlimited number of series of shares (Funds) and to subdivide Funds into classes. The Funds are advised and managed by Grantham, Mayo, Van Otterloo & Co. LLC (“GMO”).

The Funds may invest in GMO U.S. Treasury Fund and in money market funds unaffiliated with GMO.

Many of the Funds may invest without limitation in other GMO Funds (“underlying funds”). In particular, pursuant to an exemptive order granted by the Securities and Exchange Commission (“SEC”), some of the Funds may invest in Emerging Country Debt Fund, Opportunistic Income Fund and U.S. Treasury Fund. The financial statements of the underlying funds should be read in conjunction with the Funds’ financial statements. The financial statements are available without charge on the SEC’s website at www.sec.gov or on GMO’s website at www.gmo.com.

The following table provides information about the Funds’ principal investment objectives and benchmarks (if any):

Fund Name	Benchmark	Investment Objective
Asset Allocation Bond Fund	FTSE 3-Month Treasury Bill Index	Total return in excess of benchmark
Emerging Country Debt Fund	J.P. Morgan EMBI Global Diversified	Total return in excess of benchmark
High Yield Fund	Markit iBoxx USD Liquid High Yield Index	Total return in excess of benchmark
Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)	Bloomberg Barclays U.S. Aggregate Index	Total return in excess of benchmark
Opportunistic Income Fund	Not Applicable	Capital appreciation and current income
U.S. Treasury Fund	Not Applicable	Liquidity and safety of principal with current income as a secondary objective

Asset Allocation Bond Fund currently limits subscriptions.

2. Significant accounting policies

The following is a summary of significant accounting policies followed by each Fund in the preparation of its financial statements. These policies are in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”) and have been consistently followed by the Funds in preparing these financial statements. The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates. The accounting records of the Funds are maintained in U.S. dollars.

Portfolio valuation

Typically, the Funds and the underlying funds value fixed income securities at the most recent price supplied by a pricing source determined by GMO. 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 Funds and the underlying funds.

Exchange-traded securities (other than exchange-traded options) for which market quotations are readily available are valued at (i) the last sale price or (ii) official closing price or (iii) most recent quoted price published by the exchange (if no reported last sale or official closing price) or (iv) the 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 are valued at the last sale price, provided that price is

GMO Trust Funds

Notes to Financial Statements — (Continued) August 31, 2020 (Unaudited)

between the closing bid and ask prices. If the last sale price is not within that range, then they will be valued at the closing bid price for long positions and the closing ask price for short positions. Cleared derivatives are valued using the 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 a Fund calculates its net asset value, the derivative will generally be valued using an industry standard model, which may differ from the model used by the relevant clearing house. Over-the-counter (“OTC”) derivatives are generally valued at the price determined by an industry standard model. Unlisted securities for which market quotations are readily available are generally valued at the most recent quoted price. Shares of the underlying funds and other open-end registered investment companies are valued at their most recent net asset value.

The foregoing valuation methodologies are modified for equities that trade in non-U.S. securities markets that close before the close of the New York Stock Exchange (“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 prior to 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. These securities listed on foreign exchanges (including the value of equity securities that underlie futures, options and other derivatives (to the extent the market for such instruments closes prior to the close of the NYSE)) are classified as Level 2 (levels defined below).

“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 a Fund calculates its net asset value, the Fund will generally use the last quoted price so long as GMO believes that the last 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 a Fund has a long position or a short position.

If quotations are not readily available or circumstances make an existing valuation methodology or procedure unreliable, derivatives and other securities are valued at fair value as determined in good faith by the Trustees or persons acting at their direction pursuant to procedures approved by the Trustees. 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 Funds and/or the underlying funds classify such securities as Level 3 (levels defined below). For the period ended August 31, 2020, the Funds did not reduce the value of any of their OTC derivatives contracts, if any, based on the creditworthiness of their counterparties. See Note 4 “Derivative financial instruments” for a further discussion on valuation of derivatives.

U.S. GAAP requires the Funds to disclose the fair value of their investments in a three-level hierarchy (Levels 1, 2 and 3). The valuation hierarchy is based upon the relative observability of inputs to the valuation of the Funds’ investments. The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

Changes in valuation techniques may result in transfers into or out of an investment’s assigned level within the fair value hierarchy. In addition, in periods of market dislocation, the observability of prices and inputs may be reduced for many instruments. This condition, as well as changes related to the liquidity of investments, could cause a security to be reclassified between levels.

The three levels are defined as follows:

Level 1 – Valuations based on quoted prices for identical securities in active markets.

The types of assets and liabilities categorized in Level 1 generally include actively traded domestic and certain foreign equity securities; certain U.S. government obligations; derivatives actively traded on a national securities exchange (such as some futures and options); and shares of open-end mutual funds (even if their investments are valued using Level 2 or Level 3 inputs).

Level 2 – Valuations determined using other significant direct or indirect observable inputs.

The types of assets and liabilities categorized in Level 2 generally include certain U.S. government agency securities, mortgage-backed securities, asset-backed securities, certain sovereign debt obligations, and corporate bonds valued using vendor prices or

GMO Trust Funds

Notes to Financial Statements — (Continued) August 31, 2020 (Unaudited)

broker quotes; cleared derivatives and certain OTC derivatives such as swaps, options, swaptions, and forward currency contracts valued using industry standard models; certain restricted securities valued at the most recent available market or quoted price; certain debt obligations, such as collateralized loan obligations, that have yet to begin trading that are valued at cost; and certain foreign equity securities that are adjusted based on inputs from an independent pricing service approved by the Trustees, including the value of equity securities that underlie futures, options and other derivatives (to the extent the market for such instruments closes prior to the close of the NYSE) to reflect estimated valuation changes through the NYSE close.

Level 3 – Valuations based primarily on inputs that are unobservable and significant.

The types of assets and liabilities categorized in Level 3 generally include, but are not limited to, certain debt securities (such as asset-backed, mortgage-backed, loans and sovereign debt) and derivatives even though they may be valued using broker quotes; certain debt securities and derivatives adjusted by a specified discount for liquidity or other considerations; certain sovereign debt securities valued using comparable securities issued by the sovereign adjusted by a specified spread; securities whose trading has been suspended or that have been de-listed from their current primary trading exchange valued at the most recent available market or quoted price; securities in default or bankruptcy proceedings for which there is no current market quotation valued at the most recent available market or quoted price and potential litigation recoveries and interests related to bankruptcy proceedings.

The following is a summary of the respective levels assigned to the Funds' direct securities and derivatives, if any, as of August 31, 2020:

Description	Level 1	Level 2	Level 3	Total
Asset Allocation Bond Fund				
Asset Valuation Inputs				
Debt Obligations				
U.S. Government	\$ —	\$ 143,687,333	\$ —	\$ 143,687,333
TOTAL DEBT OBLIGATIONS	—	143,687,333	—	143,687,333
Mutual Funds	5,857,830	—	—	5,857,830
Short-Term Investments	130,156	—	—	130,156
Total Investments	5,987,986	143,687,333	—	149,675,319
Total	\$ 5,987,986	\$ 143,687,333	\$ —	\$ 149,675,319
Emerging Country Debt Fund				
Asset Valuation Inputs				
Debt Obligations				
Asset-Backed Securities	\$ —	\$ 30,554,261	\$ —	\$ 30,554,261
Corporate Debt	—	171,282,557	31,494,173	202,776,730
Foreign Government Agency	—	1,081,181,982	104,396,951	1,185,578,933
Foreign Government Obligations	—	2,505,078,781	133,083,713	2,638,162,494
U.S. Government	148,453,342	—	—	148,453,342
TOTAL DEBT OBLIGATIONS	148,453,342	3,788,097,581	268,974,837	4,205,525,760
Loan Assignments	—	—	23,534,091	23,534,091
Loan Participations	—	—	40,250,733	40,250,733
Mutual Funds	74,784,247	—	—	74,784,247
Rights/Warrants	—	14,346,091	119,117	14,465,208
Short-Term Investments	11,138,180	—	—	11,138,180
Total Investments	234,375,769	3,802,443,672	332,878,778	4,369,698,219
Derivatives [^]				
Forward Currency Contracts				
Foreign Currency Risk	—	660,940	—	660,940
Options				
Credit Risk	—	—	325,716	325,716
Swap Contracts				
Credit Risk	—	21,536,717	—	21,536,717
Interest Rate Risk	—	548,047	—	548,047
Total	\$ 234,375,769	\$ 3,825,189,376	\$ 333,204,494	\$ 4,392,769,639

GMO Trust Funds

Notes to Financial Statements — (Continued) August 31, 2020 (Unaudited)

Description	Level 1	Level 2	Level 3	Total
Emerging Country Debt Fund (continued)				
Liability Valuation Inputs				
Derivatives [^]				
Forward Currency Contracts				
Foreign Currency Risk	\$ —	\$ (8,239,641)	\$ —	\$ (8,239,641)
Options				
Credit Risk	—	—	(590,466)	(590,466)
Swap Contracts				
Credit Risk	—	(11,129,982)	—	(11,129,982)
Interest Rate Risk	—	(7,668,428)	—	(7,668,428)
Total	\$ —	\$ (27,038,051)	\$ (590,466)	\$ (27,628,517)
High Yield Fund				
Asset Valuation Inputs				
Debt Obligations				
Corporate Debt	\$ —	\$ 54,684,545	\$ —	\$ 54,684,545
U.S. Government	150,249	—	—	150,249
TOTAL DEBT OBLIGATIONS	150,249	54,684,545	—	54,834,794
Investment Funds	75,648,385	—	—	75,648,385
Short-Term Investments	17,458,991	14,163,427	—	31,622,418
Total Investments	93,257,625	68,847,972	—	162,105,597
Derivatives [^]				
Futures Contracts				
Interest Rate Risk	40,397	—	—	40,397
Swap Contracts				
Credit Risk	—	1,676,579	—	1,676,579
Total	\$ 93,298,022	\$ 70,524,551	\$ —	\$ 163,822,573
Liability Valuation Inputs				
Derivatives [^]				
Forward Currency Contracts				
Foreign Currency Risk	\$ —	\$ (202,247)	\$ —	\$ (202,247)
Futures Contracts				
Interest Rate Risk	(5,363)	—	—	(5,363)
Total	\$ (5,363)	\$ (202,247)	\$ —	\$ (207,610)
Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)				
Asset Valuation Inputs				
Debt Obligations				
Asset-Backed Securities	\$ —	\$ 67,651,710	\$ —	\$ 67,651,710
U.S. Government	27,252,536	—	—	27,252,536
U.S. Government Agency	—	51,850,422	—	51,850,422
TOTAL DEBT OBLIGATIONS	27,252,536	119,502,132	—	146,754,668
Investment Funds	65,543,887	—	—	65,543,887
Mutual Funds	103,523,800	—	—	103,523,800
Short-Term Investments	3,165,756	94,779,713	—	97,945,469
Total Investments	199,485,979	214,281,845	—	413,767,824
Derivatives [^]				
Forward Currency Contracts				
Foreign Currency Risk	—	2,686,425	—	2,686,425
Futures Contracts				
Interest Rate Risk	148,805	—	—	148,805
Swap Contracts				
Interest Rate Risk	—	2,123,413	—	2,123,413
Total	\$ 199,634,784	\$ 219,091,683	\$ —	\$ 418,726,467

GMO Trust Funds

Notes to Financial Statements — (Continued) August 31, 2020 (Unaudited)

Description	Level 1	Level 2	Level 3	Total
Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund) (continued)				
Liability Valuation Inputs				
Derivatives [^]				
Forward Currency Contracts				
Foreign Currency Risk	\$ —	\$ (3,383,121)	\$ —	\$ (3,383,121)
Futures Contracts				
Interest Rate Risk	(13,350)	—	—	(13,350)
Swap Contracts				
Interest Rate Risk	—	(1,078,912)	—	(1,078,912)
Total	<u>\$ (13,350)</u>	<u>\$ (4,462,033)</u>	<u>\$ —</u>	<u>\$ (4,475,383)</u>
Opportunistic Income Fund				
Asset Valuation Inputs				
Debt Obligations				
Asset-Backed Securities	\$ —	\$ 661,679,161	\$ 24,918,529	\$ 686,597,690
U.S. Government	1,586,650	—	—	1,586,650
U.S. Government Agency	—	—	11,043,169	11,043,169
TOTAL DEBT OBLIGATIONS	<u>1,586,650</u>	<u>661,679,161</u>	<u>35,961,698</u>	<u>699,227,509</u>
Mutual Funds	11,003,541	—	—	11,003,541
Short-Term Investments	124,612,283	—	—	124,612,283
Purchased Options	—	149,393	—	149,393
Total Investments	<u>137,202,474</u>	<u>661,828,554</u>	<u>35,961,698</u>	<u>834,992,726</u>
Derivatives [^]				
Forward Currency Contracts				
Foreign Currency Risk	—	169,783	—	169,783
Swap Contracts				
Credit Risk	—	26,369,759	—	26,369,759
Interest Rate Risk	—	4,307	—	4,307
Total	<u>\$ 137,202,474</u>	<u>\$ 688,372,403</u>	<u>\$ 35,961,698</u>	<u>\$ 861,536,575</u>
Liability Valuation Inputs				
Derivatives [^]				
Forward Currency Contracts				
Foreign Currency Risk	\$ —	\$ (118,503)	\$ —	\$ (118,503)
Futures Contracts				
Interest Rate Risk	(6,574)	—	—	(6,574)
Written Options				
Credit Risk	—	(271,190)	—	(271,190)
Swap Contracts				
Credit Risk	—	(9,331,777)	—	(9,331,777)
Interest Rate Risk	—	(6,176,938)	—	(6,176,938)
Total	<u>\$ (6,574)</u>	<u>\$ (15,898,408)</u>	<u>\$ —</u>	<u>\$ (15,904,982)</u>
U.S. Treasury Fund				
Asset Valuation Inputs				
Short-Term Investments	\$ 407,418,033	\$ —	\$ —	\$ 407,418,033
Total Investments	<u>407,418,033</u>	<u>—</u>	<u>—</u>	<u>407,418,033</u>
Total	<u>\$ 407,418,033</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 407,418,033</u>

The risks referenced in the tables above are not intended to be inclusive of all risks. Please see the “Investment and other risks” and “Derivative financial instruments” sections below for a further discussion of risks.

GMO Trust Funds

Notes to Financial Statements — (Continued) August 31, 2020 (Unaudited)

[^] In the tables above derivatives are based on market values, rather than the notional amounts of derivatives, except for forward currency contracts which are based on unrealized appreciation/(depreciation). The uncertainties surrounding the valuation inputs for a derivative are likely to be more significant to the Funds' net asset values than the uncertainties surrounding inputs for a non-derivative security with the same market value. Excludes purchased options, if any, which are included in investments.

The underlying funds held at period end are classified above as Level 1. Certain underlying funds invest in securities and/or derivatives which may have been fair valued using methods determined in good faith by or at the direction of the Trustees or which may have been valued using significant unobservable inputs. For a summary of the levels assigned to the underlying funds' direct securities and derivatives, if any, please refer to the underlying funds' Notes to Financial Statements which are available on the SEC's website at www.sec.gov or on GMO's website at www.gmo.com.

U.S. GAAP requires additional disclosures about fair value measurements for material Level 3 securities and derivatives, if any (determined by each category of asset or liability as compared to a Fund's total net assets). Level 3 holdings include investments valued using unadjusted prices supplied by a third-party pricing source (e.g., broker quotes, vendor). Emerging Country Debt Fund's Level 3 holdings also include the Republic of Albania Par Bond, due 8/31/25, which is valued by applying a 140 basis point spread to the yield of the U.S. Treasury Strip Principal, due 8/15/25, Empresa Nacional de Electricidad SA, due 2/01/97 which is valued based on a comparable bond and applying a 200 basis point discount for liquidity considerations and a Republic of Kenya loan agreement, which is valued by applying 500 basis point yield spread to a comparable bond. Opportunistic Income Fund's Level 3 holdings also consists of three U.S. Agency for International Development Floater Bonds which were valued using current LIBOR yield and adjusted by 150 basis points for liquidity considerations and six asset backed securities which were either adjusted for additional cashflow projections discounted for timing and likelihood of receipt, valued using the latest transaction of a comparable bond, or priced in line with broker marks. There were no other Funds with classes of investments or derivatives with direct material Level 3 holdings at August 31, 2020.

For Funds with material total Level 3 assets and/or liabilities, the following is a reconciliation of securities and derivatives, if any, in which significant unobservable inputs (Level 3) were used in determining value:

	Balances as of February 29, 2020	Purchases	Sales	Accrued Discounts/ Premiums	Total Realized Gain/ (Loss)	Change in Unrealized Appreciation (Depreciation)	Transfer into Level 3	Transfer out of Level 3	Balances as of August 31, 2020	Net Change in Unrealized Appreciation (Depreciation) from Investments Still Held as of August 31, 2020
Emerging Country Debt Fund										
Debt Obligations										
Corporate Debt	\$ 29,902,115	\$ —	\$ —	\$ (806)	\$ —	\$ 1,592,864	\$ —	\$ —	\$ 31,494,173	\$ 1,592,864
Foreign										
Government										
Agency	170,402,802	—	(25,952,601)	8,005,038	1,595,536	(49,653,824)	—	—	104,396,951	(43,880,196)
Foreign										
Government										
Obligations	173,035,182	1,465,730	(8,323,335)	13,887,212	—	(46,981,076)	—	—	133,083,713	(46,135,194)
Loan Assignments	14,402,514	11,639,508	(1,059,476)	281,380	—	(1,729,835)	—	—	23,534,091	(1,729,835)
Loan Participations	47,750,729	2,632,500	(7,701,233)	1,226,005	—	(3,657,268)	—	—	40,250,733	(3,657,267)
Rights/Warrants	2,082,394	—	—	—	(5,892,796)	3,929,519	—	—	119,117	(883,216)
Total										
Investments	437,575,736	15,737,738	(43,036,645)	23,398,829	(4,297,260)	(96,499,620)	—	—	332,878,778	(94,692,844)
Derivatives										
Options	1,036,169	—	—	—	(7,034)	(1,293,885)	—	—	(264,750)	(935,551)
Total	\$438,611,905	\$15,737,738	\$(43,036,645)#	\$23,398,829	\$(4,304,294)	\$(97,793,505)	\$ —	\$ —	\$332,614,028	\$(95,628,395)

GMO Trust Funds

Notes to Financial Statements — (Continued) August 31, 2020 (Unaudited)

	Balances as of February 29, 2020	Purchases	Sales	Accrued Discounts/ Premiums	Total Realized Gain/ (Loss)	Change in Unrealized Appreciation (Depreciation)	Transfer into Level 3	Transfer out of Level 3	Balances as of August 31, 2020	Net Change in Unrealized Appreciation (Depreciation) from Investments Still Held as of August 31, 2020
Opportunistic Income Fund										
Debt Obligations										
Asset-Backed										
Securities	\$ 25,989,481	\$ 30	\$ (1,985,348)	\$ 99,380	\$ —	\$ (1,358,139)	\$2,173,125‡	\$—	\$ 24,918,529	\$ (1,358,139)
U.S. Government										
Agency	12,228,802	—	(1,221,250)	16,406	—	19,211	—	—	11,043,169	19,211
Total	\$ 38,218,283	\$ 30	\$ (3,206,598)##	\$ 115,786	\$ —	\$ (1,338,928)	\$2,173,125	\$—	\$ 35,961,698	\$ (1,338,928)

Includes \$13,337,682 of proceeds received from partial calls and/or principal paydowns as applicable.

Includes \$3,206,598 of proceeds received from partial calls and/or principal paydowns as applicable.

‡ Financial assets transferred between levels were due to a change in observable and/or unobservable inputs.

Some Funds have material Level 3 investments. The following table summarizes the quantitative inputs used in the valuation of investments classified within Level 3 of the fair value hierarchy for the period ended August 31, 2020.

Quantitative information about Level 3 Fair Value Measurements*

Investment Type	Total Fair Value (\$)	Valuation Methodology	Unobservable Inputs	Range (Weighted Average)
Emerging Country Debt Fund				
Foreign Government Obligations	45,728,738	Fair Value	Discount for lack of liquidity/marketability	1.40% (N/A)
Corporate Debt	31,494,173	Fair Value	Discount for lack of liquidity/marketability	2.00% (N/A)
Loan Assignments and Participations	6,661,882	Fair Value	Discount for lack of liquidity/marketability	5.00%-6.00% (5.14%)
Options	(264,750)	Fair Value	Probability of CDS threshold event	<5% (N/A)
Warrants	0	Fair Value	Probability of warrant payment trigger	<5% (N/A)
Opportunistic Income Fund				
Asset-Backed Securities	5,778,548	Fair Value	Probability and timing of cash flow receipt	25-75% (N/A)
Asset-Backed Securities	5,739,000	Fair Value	Broker mark of comparable bond	N/A (N/A)
Asset-Backed Securities	9,508,800	Fair Value	Trade correlation with observed comparable bond	N/A (N/A)
Government Agency	11,043,169	Fair Value	Discount for lack of liquidity/marketability	1.50% (N/A)

* The table does not include Level 3 securities or derivatives that are valued by pricing vendors or brokers. As of August 31, 2020, the value of these securities and/or derivatives for Emerging Country Debt Fund and Opportunistic Income Fund was \$248,993,985 and \$3,892,181, respectively. The inputs for these investments are not readily available or cannot be reasonably estimated.

Cash

Cash and foreign currency, if any, in the Statements of Assets and Liabilities consist of cash balances held with the custodian.

Due to/from broker

Due to/from broker in the Statements of Assets and Liabilities includes collateral on swap contracts, futures contracts, option contracts and forward currency contracts, if any, and may include marked-to-market amounts related to foreign currency or cash owed.

GMO Trust Funds

Notes to Financial Statements — (Continued)

August 31, 2020 (Unaudited)

Foreign currency translation

The market values of foreign securities, currency holdings and related assets and liabilities are typically translated into U.S. dollars at the close of regular trading on the NYSE, generally at 4:00 pm Eastern time. Income and expenses denominated in foreign currencies are typically translated into U.S. dollars at the close of regular trading on the NYSE. Fluctuations in the value of currency holdings and other assets and liabilities resulting from changes in exchange rates are recorded as unrealized foreign currency gains or losses. Realized gains or losses and unrealized appreciation or depreciation on investment securities and income and expenses are translated on the respective dates of such transactions. The effects of changes in foreign currency exchange rates on investments in securities are not separated in the Statements of Operations from the effects of changes in market prices of those securities, but are included with the net realized and unrealized gain or loss on investment securities.

Indexed investments

Each Fund may invest in various transactions and instruments that are designed to track the performance of an index (including, but not limited to, securities indices and credit default indices). Indexed securities are securities the redemption values and/or coupons of which are indexed to a specific instrument, group of instruments, index, or other statistic. Indexed securities typically, but not always, are debt securities or deposits whose value at maturity or coupon rate is determined by reference to other securities, securities or inflation indices, currencies, precious metals or other commodities, or other financial indicators. For example, the maturity value of gold-indexed securities depends on the price of gold and, therefore, their price tends to rise and fall with gold prices.

Loan assignments and participations

The Funds (except U.S. Treasury Fund) may invest in direct debt instruments, which are interests in amounts owed to lenders or lending syndicates, to suppliers of goods or services, or to other parties by corporate, governmental or other borrower. Such “loans” may include bank loans, promissory notes, and loan participations, or in the case of suppliers of goods or services, trade claims or other receivables. A loan is often administered by a bank or other financial institution that acts as agent for all holders. The agent administers the terms of the loan, as specified in the loan agreement. Unless, under the terms of the loan or other indebtedness a Fund has direct recourse against the borrower, it may have to rely on the agent to enforce its rights against the borrower. When investing in a loan participation, (i) a Fund has the right to receive payments of principal, interest and any fees to which it is entitled only from the party from whom the Fund has purchased the participation and only upon receipt by that party of payments from the borrower and (ii) a Fund generally has no right to enforce compliance by the borrower with the terms of the loan agreement or to vote on matters arising under the loan agreement. Thus, a Fund may be subject to credit risk both of the party from whom it purchased the loan participation and the borrower and that Fund may have minimal control over the terms of any loan modification. Loan assignments and participations outstanding at the end of the period, if any, are listed in each applicable Fund’s Schedule of Investments.

Rights and warrants

The Funds may purchase or otherwise receive warrants or rights. Warrants and rights generally give the holder the right to receive, upon exercise, a security of the issuer at a set price. Funds typically use warrants and rights in a manner similar to their use of purchased options on securities, as described in the section entitled “Options” in Note 4 “Derivative financial instruments”. Risks associated with the use of warrants and rights are generally similar to risks associated with the use of purchased options. However, warrants and rights often do not have standardized terms, and may have longer maturities and may be less liquid than exchange-traded options. In addition, the terms of warrants or rights may limit a Fund’s ability to exercise the warrants or rights at such times and in such quantities as the Fund would otherwise wish. Rights and/or warrants outstanding at the end of the period, if any, are listed in each applicable Fund’s Schedule of Investments.

Repurchase agreements

The Funds may enter into repurchase agreements with banks and brokers. Under a repurchase agreement a Fund acquires a security for a relatively short period for cash and obtains a simultaneous commitment from the seller to repurchase the security at an agreed upon price and date. The Fund, through its custodian, takes possession of securities it acquired under the repurchase agreement. The value of the securities acquired may be less than the amount owed to the Fund by the seller. If the seller in a repurchase agreement transaction defaults or enters into insolvency proceedings and the value of the securities subject to the repurchase agreement is insufficient, the Fund’s recovery of cash from the seller may be delayed and, even if the Fund is able to dispose of the securities, the Fund may incur a loss equal to the difference between the cash it paid and the value of the securities. Repurchase agreements outstanding at the end of the period, if any, are listed in each applicable Fund’s Schedule of Investments.

GMO Trust Funds

Notes to Financial Statements — (Continued) August 31, 2020 (Unaudited)

Reverse repurchase agreements

The Funds may enter into reverse repurchase agreements with banks and brokers to enhance return. Under a reverse repurchase agreement a Fund sells portfolio assets subject to an agreement by that Fund to repurchase the same assets at an agreed upon price and date. A Fund can use the proceeds received from entering into a reverse repurchase agreement to make additional investments, which generally causes the Fund's portfolio to behave as if it were leveraged. If the buyer in a reverse repurchase agreement files for bankruptcy or becomes insolvent, the Fund may be unable to recover the securities it sold and as a result may realize a loss on the transaction if the securities it sold are worth more than the purchase price it originally received from the buyer. Reverse repurchase agreements outstanding at the end of the period, if any, are listed in each applicable Fund's Schedule of Investments.

Inflation-indexed bonds

The Funds may invest in inflation-indexed bonds. Inflation-indexed bonds are fixed income securities whose principal value is adjusted periodically according to the rate of inflation/deflation. Two structures are common. The U.S. Treasury and some other issuers use a structure that accrues inflation/deflation into the principal value of the bond. Many other issuers adjust the coupon accruals for inflation related changes.

The market price of inflation-indexed bonds normally changes when real interest rates change. Real interest rates, in turn, are tied to the relationship between nominal interest rates (i.e. stated interest rates) and the rate of inflation. Therefore, if the rate of inflation rises at a faster rate than nominal interest rates, real interest rates (i.e. nominal interest rate minus inflation) might decline, leading to an increase in value of inflation-indexed bonds. In contrast, if nominal interest rates increase at a faster rate than inflation, real interest rates might rise, leading to a decrease in value of inflation-indexed bonds. Coupon payments received by a Fund from inflation-indexed bonds are generally included in the Fund's gross income for the period in which they accrue. In addition, any increase/decrease in the principal amount of an inflation-indexed bond is generally included in the Fund's gross income even though principal is not paid until maturity. Inflation-indexed bonds outstanding at the end of the period, if any, are listed in each applicable Fund's Schedule of Investments.

Delayed delivery commitments and when-issued securities

The Funds (except U.S. Treasury Fund) may purchase or sell securities on a when-issued or forward commitment basis. Payment and delivery may take place a month or more after the date of the transaction. The price of the underlying securities and the date when the securities will be delivered and paid for are fixed at the time the transaction is negotiated. The purchase of when-issued or delayed delivery securities can cause a Fund's portfolio to be leveraged. Investments in when-issued securities also present the risk that the security will not be issued or delivered. Delayed delivery commitments outstanding at the end of the period, if any, are listed in each applicable Fund's Schedule of Investments.

Short sales

Certain Funds may enter into short sales transactions. A short sale is a transaction in which a Fund sells securities it may not own in anticipation of a decline in the fair market value of the securities. Securities sold in short sale transactions and the dividend and/or interest payable on such securities, if any, are reflected as a liability in the Statements of Assets and Liabilities. A Fund is obligated to deliver securities at the trade price at the time the short position is closed. Possible losses from short sales may be unlimited, whereas losses from purchases cannot exceed the total amount invested. Short sales outstanding at the end of the period, if any, are listed in each applicable Fund's Schedule of Investments.

Taxes and distributions

Each Fund has elected to be treated or intends to elect to be treated and intends to qualify each tax year as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"). Each Fund intends to distribute its net investment income, if any, and its net realized short-term and long-term capital gains, if any, after giving effect to any available capital loss carryforwards for U.S. federal income tax purposes. Therefore, each Fund makes no provision for U.S. federal income or excise taxes.

With the exception of U.S. Treasury Fund, the policy of each Fund is to declare and pay dividends of its net investment income, if any, at least annually, although the Funds are permitted to, and will from time to time, declare and pay dividends of net investment income, if any, more frequently. The policy of U.S. Treasury Fund is to declare dividends daily, to the extent net investment income is available. U.S. Treasury Fund will generally pay dividends on the first business day following the end of each month in which dividends were declared. Accrued dividends in respect of a shareholder's partial redemption of U.S. Treasury Fund shares redeemed between monthly payment dates will be paid on the first business day following the end of the month in which redemptions are made. Accrued dividends in respect of a shareholder's complete redemption of U.S. Treasury Fund shares between monthly payment dates will be paid with the redemption proceeds. Each Fund also intends to distribute net realized short-term and long-term capital gains, if any, at least annually. In addition, each Fund may, from time to time at their discretion, make unscheduled distributions in advance of

GMO Trust Funds

Notes to Financial Statements — (Continued) August 31, 2020 (Unaudited)

large redemptions by shareholders or as otherwise deemed appropriate by a Fund. Typically, all distributions are reinvested in additional shares of each Fund, at net asset value, unless GMO or its agents receive and process a shareholder election to receive cash distributions. Distributions to shareholders are recorded by each Fund on the ex-dividend date.

Taxes on foreign interest and dividend income are generally withheld in accordance with the applicable country's tax treaty with the United States. The foreign withholding rates applicable to a Fund's investments in certain jurisdictions may be higher if a significant portion of the Fund is held by non-U.S. shareholders. Each Fund may be subject to taxation on realized capital gains, repatriation proceeds and other transaction-based charges imposed by certain countries in which it invests. Transaction-based charges are generally calculated as a percentage of the transaction amount. Taxes related to capital gains realized during the period ended August 31, 2020, if any, are reflected as part of Net realized gain (loss) in the Statements of Operations. Changes in tax liabilities related to capital gain taxes on unrealized investment gains, if any, are reflected as part of Change in net unrealized appreciation (depreciation) in the Statements of Operations.

Income and capital gain distributions are determined in accordance with U.S. federal income tax regulations, which may differ from U.S. GAAP. Certain capital accounts in the financial statements are periodically adjusted for permanent differences in order to reflect their tax character. These adjustments have no impact on net assets or net asset value per share. Temporary differences that arise from recognizing certain items of income, expense, gain or loss in different periods for financial statement and tax purposes will likely reverse at some time in the future.

Distributions in excess of a Fund's tax basis earnings and profits, if significant, are reported in the Funds' financial statements as a return of capital.

As of February 29, 2020, certain Funds elected to defer to March 1, 2020 late-year ordinary losses and post-October capital losses. The Funds' loss deferrals are as follows:

Fund Name	Late-Year Ordinary Loss Deferral (\$)	Post-October Capital Loss Deferral (\$)
Asset Allocation Bond Fund	(166,200)	—
Emerging Country Debt Fund	—	—
High Yield Fund	—	—
Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)	(1,188,513)	—
Opportunistic Income Fund	—	—
U.S. Treasury Fund	—	(29,427)

As of February 29, 2020, certain Funds had capital loss carryforwards available to offset future realized gains, if any, to the extent permitted by the Code. Net capital losses are carried forward without expiration and generally retain their short-term and/or long-term tax character, as applicable. Utilization of the capital loss carryforwards, post-October capital losses, late-year ordinary losses, and losses realized subsequent to February 29, 2020, if any, could be subject to further limitations imposed by the Code related to share ownership activity. The Funds' capital loss carryforwards are as follows:

Fund Name	Short-Term (\$)	Long-Term (\$)
Asset Allocation Bond Fund	(27,013,502)	(40,161,402)
Emerging Country Debt Fund	—	—
High Yield Fund	—	—
Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)	(291,118)	(24,729,028)
Opportunistic Income Fund	—	(66,270,766)
U.S. Treasury Fund	(941,359)	(25,858)

GMO Trust Funds

Notes to Financial Statements — (Continued) August 31, 2020 (Unaudited)

As of August 31, 2020, the approximate total cost, aggregate investment-level gross/net unrealized appreciation (depreciation) in the value of total investments (including total securities sold short, if any), and the net unrealized appreciation (depreciation) of outstanding financial instruments for U.S. federal income tax purposes were as follows:

Fund Name	Total Investments				Outstanding Financial Instruments
	Aggregate Cost (\$)	Gross Unrealized Appreciation (\$)	Gross Unrealized (Depreciation) (\$)	Net Unrealized Appreciation (Depreciation) (\$)	Net Unrealized Appreciation (Depreciation) (\$)
Asset Allocation Bond Fund	134,786,004	14,889,315	—	14,889,315	—
Emerging Country Debt Fund	4,741,553,242	351,836,374	(723,691,397)	(371,855,023)	(16,707,757)
High Yield Fund	157,670,574	5,132,709	(697,686)	4,435,023	1,465,643
Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)	401,866,335	15,079,711	(3,178,222)	11,901,489	425,070
Opportunistic Income Fund	870,935,734	18,588,238	(54,531,246)	(35,943,008)	(10,657,322)
U.S. Treasury Fund	406,981,704	437,008	(679)	436,329	—

The Funds are subject to authoritative guidance related to the accounting and disclosure of uncertain tax positions under U.S. GAAP. This guidance sets forth a minimum threshold for the financial statement recognition of tax positions taken based on the technical merits of such positions. United States and non-U.S. tax rules (including the interpretation and application of tax laws) are subject to change. The Funds file tax returns and/or adopt certain tax positions in various jurisdictions. Non-U.S. taxes are provided for based on the Funds' understanding of the prevailing tax rules of the non-U.S. markets in which they invest. Recently enacted tax rules, including interpretations of tax laws and tax legislation/initiatives currently under consideration in various jurisdictions, including the U.S., might affect the way the Funds and their investors are taxed prospectively and/or retroactively. Prior to the expiration of the relevant statutes of limitations, if any, the Funds are subject to examination by U.S. federal, state, local and non-U.S. jurisdictions with respect to the tax returns they have filed and the tax positions they have adopted. The Funds' U.S. federal income tax returns are generally subject to examination by the Internal Revenue Service for a period of three years after they are filed. State, local and/or non-U.S. tax returns and/or other filings may be subject to examination for different periods, depending upon the tax rules of each applicable jurisdiction.

Security transactions and related investment income

Security transactions are accounted for in the financial statements on trade date. For purposes of daily net asset value calculations, the Funds' policy is that security transactions are generally accounted for on the following business day. GMO may override that policy and a Fund may account for security transactions on trade date if it experiences significant purchases or redemptions or engages in significant portfolio transactions. Dividend income, net of applicable foreign withholding taxes, if any, is recorded on the ex-dividend date or, if later, when a Fund is informed of the ex-dividend date. Income dividends and capital gain distributions from underlying funds, if any, are recorded on the ex-dividend date. Interest income is recorded on the accrual basis and is adjusted for the amortization of premiums and accretion of discounts. Principal on inflation-indexed securities is adjusted for inflation/deflation and any increase or decrease is recorded as interest income or investment loss. Coupon income is not recognized on securities for which collection is not expected. Paydown gains and losses on mortgage-related and other asset-backed securities, if any, are recorded as components of interest income in the Statements of Operations. Non-cash dividends, if any, are recorded at the fair market value of the asset received. In determining the net gain or loss on securities sold, the Funds use the identified cost basis.

Expenses and class allocations

Most of the expenses of the Trust are directly attributable to an individual Fund. Generally, common expenses are allocated among the Funds based on, among other things, the nature and type of expense and the relative size of the Funds. Investment income, common expenses, purchase premiums and redemption fees, if any, and realized and unrealized gains and losses are allocated among the classes of shares of the Funds, if applicable, based on the relative net assets of each class. Shareholder service fees, if any, which are directly attributable to a class of shares, are charged to that class's operations. In addition, the Funds may incur fees and expenses indirectly as a shareholder in the underlying funds. Because the underlying funds have different expense and fee levels and the Funds may own different proportions of the underlying funds at different times, the amount of fees and expenses indirectly incurred by a Fund will vary (see Note 5).

GMO Trust Funds

Notes to Financial Statements — (Continued) August 31, 2020 (Unaudited)

Custodian, Fund Accounting Agent and Transfer Agent

State Street Bank and Trust Company (“State Street”) serves as the Funds’ custodian, fund accounting agent and transfer agent. Cash balances maintained at the custodian and transfer agent are held in a Demand Deposit Account and interest income earned, if any, is shown as interest income in the Statements of Operations.

Purchases and redemptions of Fund shares

Purchase premiums and redemption fees (if applicable) 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 (e.g., through investments in underlying funds) as a result of an investor’s purchase or redemption by allocating estimated transaction costs to the purchasing or redeeming shareholder. Such fees are recorded as a component of the Funds’ net share transactions. A Fund may impose a new purchase premium and redemption fee or modify an existing fee at any time.

Purchase premiums are not charged on reinvestments of dividends or other distributions. Redemption fees apply to all shares of a Fund regardless of how the shares were acquired (e.g., by direct purchase or by reinvestment of dividends or other distributions).

If GMO determines that any portion of a cash purchase or redemption, as applicable, is offset by a corresponding cash redemption or purchase occurring on the same day, it ordinarily will waive or reduce the purchase premium or redemption fee with respect to that portion.

GMO also may waive or reduce the purchase premium or redemption fee for a cash purchase or redemption of a Fund’s shares if the Fund will not incur transaction costs or will incur reduced transaction costs. For example, GMO may reduce the purchase premium to the extent that securities are used to purchase a Fund’s shares (taking into account transaction costs, stamp duties or transfer fees), and GMO may reduce redemption fees to the extent a Fund uses portfolio securities to redeem its shares (taking into account transaction costs, stamp duties or transfer fees).

As of August 31, 2020, the premium on cash purchases and the fee on cash redemptions were as follows:

	Asset Allocation Bond Fund	Emerging Country Debt Fund ⁽¹⁾	High Yield Fund	Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)	Opportunistic Income Fund ⁽²⁾	U.S. Treasury Fund
Purchase Premium	—	1.00%	—	—	—	—
Redemption Fee	—	1.00%	—	—	—	—

⁽¹⁾ For the periods from May 8, 2020 to July 31, 2020, March 25, 2020 to May 8, 2020, March 16, 2020 to March 25, 2020, February 1, 2016 to March 16, 2020 the premiums on purchases and the fee on redemptions were each 1.50%, 2.00%, 1.15% and 0.75%, respectively, of the amount invested or redeemed. Prior to February 1, 2016, the premiums on purchases and the fee on redemptions were each 0.50% of the amount invested or redeemed.

⁽²⁾ Prior to June 30, 2019, the premiums on purchases and the fee on redemptions were each 0.40% of the amount invested or redeemed.

Recently-issued accounting guidance

In March 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2020-04, “*Reference Rate Reform (Topic 848) – Facilitation of the Effects of Reference Rate Reform on Financial Reporting*”. The amendments in the ASU provides optional temporary financial reporting relief from the effect of certain types of contract modifications due to the planned discontinuation of the London Interbank Offered Rate (LIBOR) and other interbank-offered based reference rates as of the end of 2021. The ASU is effective for certain reference rate-related contract modifications that occur during the period March 12, 2020 through December 31, 2022. Management is currently evaluating the impact, if any, of applying this ASU on the Funds’ financial statements.

GMO Trust Funds

Notes to Financial Statements — (Continued) August 31, 2020 (Unaudited)

3. Investment and other risks

The following chart identifies selected risks associated with each Fund. Risks not marked for a particular Fund may, however, still apply to some extent to that Fund at various times.

	Asset Allocation Bond Fund	Emerging Country Debt Fund	High Yield Fund	Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)	Opportunistic Income Fund	U.S. Treasury Fund
Commodities Risk	X					
Counterparty Risk	X	X	X	X	X	X
Credit Risk	X	X	X	X	X	X
Currency Risk	X	X	X	X	X	
Derivatives and Short Sales Risk	X	X	X	X	X	
Focused Investment Risk	X	X	X	X	X	
Fund of Funds Risk	X	X	X	X	X	
Futures Contracts Risk			X	X	X	
Illiquidity Risk	X	X	X	X	X	
Large Shareholder Risk	X	X	X	X	X	X
Leveraging Risk	X	X	X	X	X	
Management and Operational Risk	X	X	X	X	X	X
Market Disruption and Geopolitical Risk	X	X	X	X	X	X
Market Risk – Asset-Backed Securities	X	X		X	X	
Market Risk – Equities	X				X	
Market Risk – Fixed Income	X	X	X	X	X	X
Non-Diversified Funds	X	X	X	X	X	
Non-U.S. Investment Risk	X	X	X	X	X	
Smaller Company Risk	X			X	X	

Investing in mutual funds involves many risks. The risks of investing in a particular Fund depend on the types of investments in its portfolio and the investment strategies GMO employs on its behalf. This section does not describe every potential risk of investing in the Funds. Funds could be subject to additional risks because of the types of investments they make and market conditions, which may change over time. Please see the Funds' prospectus for more information regarding the risks of investing in the Funds.

Each Fund that invests in other GMO Funds or other investment companies (collectively, "Underlying Funds") is exposed to the risks to which the Underlying Funds in which it invests are exposed, as well as the risk that the Underlying Funds will not perform as

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expected. Therefore, unless otherwise noted, the selected risks summarized below include both direct and indirect risks, and references in this section to investments made by a Fund include those made both directly by the Fund and indirectly by the Fund through Underlying Funds.

An investment in a Fund is not a bank deposit and, therefore, is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

• **COMMODITIES RISK.** Commodity prices can be extremely volatile and are affected by many factors. Exposure to commodities can cause the value of a Fund's shares to decline or fluctuate in a rapid and unpredictable manner. In addition, the value of commodity-related derivatives or indirect investments in commodities may fluctuate more than the commodity, commodities or commodity index to which they relate. See "Derivatives and Short Sales Risk" for a discussion of specific risks of a Fund's derivatives investments, including commodity-related derivatives.

• **COUNTERPARTY RISK.** Funds that enter into contracts with counterparties, such as repurchase or reverse repurchase agreements or OTC derivatives contracts, or that lend their securities run 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, a Fund may suffer losses if a counterparty fails to comply with applicable laws, regulations or other requirements. The Funds are not subject to any limit on their exposure to any one counterparty nor to a requirement that counterparties with whom they enter 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 in environments in which 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, and, therefore, OTC derivatives generally expose a Fund to greater counterparty risk than exchange-traded derivatives. A 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 a 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 greater for derivatives with longer maturities because of the longer time during which events may occur that prevent settlement. Counterparty risk also is greater when a 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. Funds that use swap contracts are 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 greater 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 it changes adversely (whether due to external events or otherwise) does not mean that a Fund's existing transactions with that counterparty will necessarily be terminated or modified. In addition, a Fund may enter into new transactions with a counterparty that GMO no longer considers a desirable counterparty (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 greater if a counterparty's obligations exceed the value of the collateral held by the Fund (if any).

The Funds also are subject to counterparty risk because they execute their 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 Funds could miss investment opportunities or be unable to dispose of investments they would prefer to sell, resulting in losses for the Funds. 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 possibility exists that the Funds' ability to exercise remedies, such as the termination of transactions,

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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, governmental authorities could reduce, eliminate, or convert to equity the liabilities to the Funds of a counterparty experiencing financial difficulties (sometimes referred to as a “bail in”).

• **CREDIT RISK.** This is the risk that the issuer or guarantor of a fixed income investment or the obligors of obligations underlying an asset-backed security will be unable or unwilling to satisfy their obligation to pay principal and interest or otherwise to honor their obligations in a timely manner. The market price of a fixed income investment will normally decline as a result (and/or in anticipation) of the issuer’s, guarantor’s, or obligors’ failure to meet their payment obligations or a downgrading of the credit rating of the investment. This risk is particularly acute in environments in which 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. Fixed income investments also are subject to illiquidity risk. See “Illiquidity Risk.”

All fixed income investments are subject to credit risk. Financial strength and solvency of an issuer are the primary factors influencing credit risk. The risk varies depending upon whether the issuer is a corporation, a government or government entity, whether the particular security has a priority over other obligations of the issuer in payment of principal and interest and whether it has any collateral backing or credit enhancement. Credit risk may change over the term of a fixed income investment. U.S. government securities are subject to varying degrees of credit risk depending upon whether the securities are supported by the full faith and credit of the United States, supported by the ability to borrow from the U.S. Treasury, supported only by the credit of the issuing U.S. government agency, instrumentality, or corporation, or otherwise supported by the United States. For example, issuers of many types of U.S. government securities (e.g., the Federal Home Loan Mortgage Corporation (“Freddie Mac”), Federal National Mortgage Association (“Fannie Mae”), and Federal Home Loan Banks), although chartered or sponsored by Congress, are not funded by Congressional appropriations and their fixed income securities, including mortgage-backed and other asset-backed securities, are neither guaranteed nor insured by the U.S. government. These securities are subject to more credit risk than U.S. government securities that are supported by the full faith and credit of the United States (e.g., U.S. Treasury bonds). Investments in sovereign or quasi-sovereign debt involve the risk that the governmental entities responsible for repayment will be unable or unwilling to pay interest and repay principal when due. A governmental entity’s ability and willingness to pay interest and repay principal in a timely manner can be expected to be affected by a variety of factors, including its cash flow, the size of its reserves, its access to foreign exchange, the relative size of its debt service burden to its economy as a whole, and political constraints. Investments in quasi-sovereign issuers are subject to the additional risk that the issuer will default independently of its sovereign. Sovereign debt risk is greater for fixed income securities issued or guaranteed by emerging countries.

In many cases, the credit risk and market price of a fixed income investment are reflected in its credit ratings, and a Fund holding a rated investment is subject to the risk that the investment’s rating will be downgraded, resulting in a decrease in the market price of the fixed income investment.

Securities issued by the U.S. government historically have presented minimal credit risk. However, events in 2011 led several major rating agencies to downgrade the long-term credit rating of U.S. bonds and introduced greater uncertainty about the repayment by the United States of its obligations. A further credit rating downgrade could decrease, and a default in the payment of principal or interest on U.S. government securities would decrease, the market price of a Fund’s investments and increase the volatility of a Fund’s portfolio.

As described under “Market Risk — Asset-Backed Securities,” asset-backed securities may be backed by many types of assets and their payment of interest and repayment of principal largely depend on the cash flows generated by the assets backing them. The credit risk of a particular asset-backed security depends on many factors, as described under “Market Risk — Asset-Backed Securities.” The obligations of issuers also may be subject to bankruptcy, insolvency and other laws affecting the rights and remedies of creditors.

A Fund also is exposed to credit risk on a reference security to the extent it writes protection under credit default swaps. See “Derivatives and Short Sales Risk” for more information regarding risks associated with the use of credit default swaps.

The extent to which the market price of a fixed income investment changes in response to a credit event depends on many factors and can be difficult to predict. For example, even though the effective duration of a long-term floating rate security is very short, an adverse credit event or change in the perceived creditworthiness of its issuer could cause its market price to decline much more than its effective duration would suggest.

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Credit risk is particularly pronounced for below investment grade investments (commonly referred to as “high yield” or “junk bonds”). The sovereign debt of many non-U.S. governments, including their sub-divisions and instrumentalities, is below investment grade. Many asset-backed securities also are below investment grade. Below investment grade investments have speculative characteristics, often are less liquid than higher quality investments, present a greater risk of default and are more susceptible to real or perceived adverse industry conditions. Investments in distressed or defaulted or other low quality debt investments generally are considered speculative and typically involve substantial risks not normally associated with investments in higher quality investments, including adverse business, financial or economic conditions that lead to payment defaults and insolvency proceedings on the part of their issuers. In particular, distressed or defaulted obligations might be repaid, if at all, only after lengthy workout or bankruptcy proceedings, during which the issuer does not make any interest or other payments and a Fund incurs additional expenses in seeking recovery. If GMO’s assessment of the eventual recovery value of a distressed or defaulted debt investment proves incorrect, a Fund is likely to lose a substantial portion or all of its investment or may be required to accept cash or instruments worth less than its original investment. In the event of a default of sovereign debt, the Funds may be unable to pursue legal action against the issuer.

• **CURRENCY RISK.** Currency risk is the risk that fluctuations in exchange rates will adversely affect the market value of a Fund’s investments. Currency risk includes the risk that the currencies in which a Fund’s investments are traded, in which a Fund receives income, or in which a Fund has taken a position will decline in value. Currency risk also includes the risk that the currency to which the Fund has obtained exposure through hedging declines in value relative to the currency being hedged, in which event the Fund is likely to realize a loss on both the hedging instrument and the currency being hedged. Currency exchange rates can fluctuate significantly for many reasons. See “Market Disruption and Geopolitical Risk.”

Many of the Funds use derivatives to take currency positions that are under- or over-weighted (in some cases significantly) relative to the currency exposure of their portfolios and their benchmarks. If the exchange rates of the currencies involved do not move as expected, a Fund could lose money on both its holdings of a particular currency and the derivative. See also “Non-U.S. Investment Risk.”

Some currencies are illiquid (e.g., some emerging country currencies), and a Fund may not be able to convert them into U.S. dollars or may only be able to do so at an unfavorable exchange rate. Exchange rates for many currencies are affected by exchange control regulations.

Derivative transactions in foreign currencies (such as futures, forward contracts, options and swaps) may involve leveraging risk in addition to currency risk, as described under “Leveraging Risk.” In addition, the obligations of counterparties in currency derivative transactions are often not secured by collateral, which increases counterparty risk (see “Counterparty Risk”).

• **DERIVATIVES AND SHORT SALES RISK.** All of the Funds 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. Derivatives involve 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 OTC contracts.

The use of derivatives involves risks that are in addition to, and potentially greater than, the risks of investing directly in securities. In particular, a 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 still have contractual remedies but may not be able 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, the Fund may decide not to pursue its 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 the cost of litigation.

A Fund may invest in derivatives that (i) do not require the counterparty to post collateral (e.g., forward currency contracts), (ii) require collateral but that do not provide for the Fund’s security interest in it to be perfected, (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

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marked-to-market. When a counterparty's obligations are not fully secured by collateral, a Fund runs a greater 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 Funds to the risk that the pricing models used do not produce valuations that are consistent with the values the Funds realize when they close or sell an OTC derivative. Valuation risk is more pronounced when a 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 Funds run a risk that inaccurate valuations will result in increased cash payments to counterparties, under-collateralization and/or errors in the calculation of the Funds' net asset values.

A Fund's use of derivatives may not be effective or have the desired results. Moreover, suitable derivatives will not be available in all circumstances. For example, the cost of taking some derivative positions may be prohibitive, and if a counterparty or its affiliate is deemed to be an affiliate of a Fund, the Funds will not be permitted to trade with that counterparty.

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. In addition, see "Commodities Risk" for a discussion of risks specific to commodity-related derivatives. 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 greater than the amount invested in the derivative itself. See "Leveraging Risk."

Special tax rules apply to a Fund's transactions in derivatives, which could increase the taxes payable by shareholders subject to U.S. income taxation. In particular, a 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 a Fund's use of derivatives will sometimes be unclear. See the Funds' Prospectus and Statement of Additional Information 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 (and some other countries) have adopted similar requirements, which affect a Fund when it enters into a derivatives transaction with a counterparty subject to those requirements. Because these requirements are evolving, their impact on the Funds 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"), a Fund's counterparty is a clearing house rather than a bank or broker. Since the Funds are not members of clearing houses and only members of a clearing house ("clearing members") can participate directly in the clearing house, the Funds hold cleared derivatives through accounts at clearing members. In cleared derivative positions, the Funds make payments (including margin payments) to and receive payments from a clearing house through their 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 bilateral arrangements, for example, by requiring that funds provide more margin for their cleared derivative positions. Also, as a general matter, in contrast to a bilateral derivative position, following a period of notice to a Fund, a clearing member at any time can require termination of an existing cleared derivative position or an increase in the margin required at the outset of a transaction. 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 a Fund to pursue its investment strategy, and any increase in margin held by a clearing member could expose a Fund to greater credit risk to its clearing member. Also, a 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 Funds and clearing members generally is less favorable to the Funds than the documentation for typical bilateral derivatives. For

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example, documentation relating to cleared derivatives generally includes a one-way indemnity by the Funds in favor of the clearing member for losses the clearing member incurs as the Funds' clearing member. Also, such documentation typically does not provide the Funds any remedies if the clearing member defaults or becomes insolvent. While futures contracts entail 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 an exchange or on a swap execution facility. A swap execution facility is a trading platform where multiple market participants can 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 Funds. For example, swap execution facilities typically charge fees, and if a Fund executes derivatives on a swap execution facility through a broker intermediary, the intermediary may impose fees as well. Also, a 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 a Fund wishes to execute a package of transactions that include a swap that is required to be executed on a swap execution facility as well as other transactions (for example, a transaction that includes both a security and an interest rate swap that hedges interest rate exposure with respect to such 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 would be executed successfully and others would 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 and the European Union have adopted mandatory minimum margin requirements for bilateral derivatives. Variation margin requirements became effective in March 2017 and initial margin requirements will become effective in 2020 or 2021. Such requirements could increase the amount of margin a Fund needs to post in connection with its derivatives transactions and, therefore, make derivatives transactions more expensive.

These and other rules and regulations could, among other things, further restrict a Fund's ability to engage in, or increase the cost to the Fund of, derivatives transactions, for example, by making some types of derivatives no longer available to the Fund or otherwise limiting liquidity. The implementation of the clearing requirement has increased the cost of derivatives transactions for the Funds, since the Funds have to pay fees to their clearing members and are typically required to post more margin for cleared derivatives than they historically posted for bilateral derivatives. The cost of derivatives transactions is expected to increase further as clearing members raise their fees to cover the cost of additional capital requirements and other regulatory changes applicable to the clearing members. These rules and regulations are evolving, and, therefore, their potential impact on the Funds and the financial system are not yet known. 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, and in the meantime, as noted above, central clearing and related requirements expose the Funds to different kinds of costs and risks.

The SEC recently repropose a rule under the 1940 Act regulating the use by registered investment companies of derivatives and many related instruments. The ultimate impact, if any, of such a rule is unclear, but the repropose rule, if adopted, could, among other things, restrict a Fund's ability to continue to engage in derivatives transactions in the manner it has historically and increase the costs of derivatives transactions, which could have an adverse impact on a Fund's performance.

Options. Some Funds are 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 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 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 its rights 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 only exercise the option on its expiration date). If a Fund writes a call option and does not hold the underlying security or instrument, the Fund's potential loss is theoretically unlimited.

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National securities exchanges generally have established limits on the maximum number of options an investor or group of investors acting in concert may write. A Fund, GMO, and other funds advised by GMO likely constitute such a group. When applicable, these limits restrict a Fund's ability to purchase or write options on a particular security.

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

Short Investment Exposure. Some Funds may sell securities or currencies short as part of their investment programs in an attempt to increase their returns or for hedging purposes. Short sales expose a Fund to the risk that it will be required to acquire, convert, or exchange a security or currency to replace the borrowed security or currency when the security or currency sold short 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 exacerbating any losses. A Fund that sells short a security or currency it does not own typically pays borrowing fees to a broker and is required to pay the broker any dividends or interest it receives on a borrowed security.

A 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 a Fund does not own and "short" derivative positions involve forms of investment leverage, and the amount of the Fund's potential loss is theoretically unlimited. A Fund is subject to increased leveraging risk and other investment risks described in this "Investment and other risks" section to the extent it sells short securities or currencies it does not own or takes "short" derivative positions.

• **FOCUSED INVESTMENT RISK.** Funds with investments that are focused in a limited number of asset classes, sectors, industries, issuers, currencies, countries, or regions (or in sectors within a country or region) that are subject to the same or similar risk factors and Funds with investments whose prices are closely correlated are subject to greater overall risk than Funds with investments that are more diversified or whose prices are not as closely correlated.

A Fund that invests in the securities of a small number of issuers has greater exposure to adverse developments affecting those issuers and to a decline in the market price of those issuers' securities than Funds investing 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, Funds having a significant portion of their 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 (e.g., Russian oil) have more exposure to regional and country economic risks than do funds making investments throughout the world. 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."

• **FUND OF FUNDS RISK.** A Fund that invests in Underlying Funds (including underlying GMO Funds) is exposed to the risk that the Underlying Funds will not perform as expected. A Fund also is indirectly exposed to all of the risks to which the Underlying Funds are exposed.

Because, absent reimbursement, a Fund bears the fees and expenses of an Underlying Fund (including purchase premiums and redemption fees, if any), the Fund will incur additional expenses when investing in an Underlying Fund. In addition, total Fund expenses will increase if a Fund makes a new or further investment in Underlying Funds with higher fees or expenses than the average fees and expenses of the Underlying Funds then in the Fund's portfolio.

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In addition, to the extent a Fund invests in shares of underlying GMO Funds, it is indirectly subject to Large Shareholder Risk when an underlying GMO Fund has large shareholders (e.g., other GMO Funds). See “Large Shareholder Risk.”

At any particular time, one Underlying Fund may be purchasing securities of an issuer whose securities are being sold by another Underlying Fund, resulting in a Fund that holds each Underlying Fund indirectly incurring the costs associated with the two transactions without changing its exposure to those securities.

Investments in exchange-traded funds (“ETFs”) involve the risk that an ETF’s performance will not track the performance of the index it is designed to track. In addition, ETFs often use derivatives to track the performance of an index, and, therefore, investments in those ETFs are subject to the same derivatives risks discussed in “Derivatives and Short Sales Risk.” ETFs are investment companies that typically hold a portfolio of securities designed to track the price, performance, and dividend yield of a particular securities market index (or sector of an index). As investment companies, ETFs incur their own management and other fees and expenses, such as trustee fees, operating expenses, registration fees, and marketing expenses, and a Fund that invests in ETFs bears a proportionate share of such fees and expenses. As a result, an investment by a Fund in an ETF could result in higher expenses and lower returns than if the Fund were to invest directly in the securities underlying the ETF.

A Fund’s investments in one or more Underlying Funds 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 investments, requiring the Fund in turn to liquidate investments at disadvantageous times to generate cash needed to make required distributions.

The SEC recently adopted a rule that will change the regulatory framework under which some registered investment companies are permitted to invest in other registered investment companies (the “Fund of Funds Rule”). The impact of the Fund of Funds Rule is still under review but could adversely affect the Funds by, among other things, limiting the number of shares of other registered investment companies (such as other Funds or exchange-traded funds) or pooled investment vehicles that a Fund is permitted to purchase.

• **FUTURES CONTRACTS RISK.** The risk of loss to a Fund resulting from its use of futures contracts (or “futures”) is potentially unlimited. Futures markets are highly volatile, and the use of futures contracts increases the volatility of the Fund’s net asset value. A Fund’s ability to establish and close out positions in futures contracts is subject to the development and maintenance of a liquid secondary market. A liquid secondary market may not exist for any particular futures contract at any particular time, and a Fund might be unable to effect closing transactions to terminate its exposure to the contract. In using futures contracts, a Fund relies on GMO’s ability to predict market and price movements correctly. The skills needed to use futures contracts successfully are different from those needed for traditional portfolio management. If a Fund uses futures contracts for hedging purposes, it runs the risk that changes in the prices of the contracts will not correlate perfectly with changes in the securities, index, or other asset underlying the contracts or movements in the prices of the Fund’s investments that are the subject of the hedge.

A Fund typically will be required to post margin with its futures commission merchant in connection with its positions in futures contracts. If the Fund has insufficient cash to meet margin requirements, the Fund typically will have to sell other investments at disadvantageous times. A Fund also runs the risk of being unable to recover or be delayed in recovering margin or other amounts deposited with a futures commission merchant or futures clearinghouse. For example, should the futures commission merchant become insolvent, a Fund may be unable to recover all (or any) of the margin it has deposited or realize the value of any increase in the price of its positions.

The Commodity Futures Trading Commission (the “CFTC”) and the various exchanges have established limits (referred to as “speculative position limits”) on the maximum net long or net short positions that any person and certain of its affiliated entities may hold or control in a particular futures contract. In addition, an exchange may impose trading limits on the number of contracts a person may trade on a particular day. An exchange may order the liquidation of positions found to be in violation of these limits, and it may impose sanctions or restrictions. In addition, the Dodd-Frank Wall Street Reform and Consumer Protection Act requires the CFTC to establish speculative position limits on listed futures and economically equivalent OTC derivatives, and those limits may adversely affect the market liquidity of those futures and derivatives. As a result of such limits, positions held by other GMO clients or by GMO or its affiliates could prevent GMO from taking positions on behalf of a Fund in a particular futures contract or OTC derivative.

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Futures contracts traded on markets outside the United States are not subject to regulation by the CFTC or other U.S. regulators. U.S. regulators neither regulate the activities of a foreign exchange nor have the power to compel enforcement of the rules of a foreign exchange or the laws of the country where the exchange is located. In addition, foreign futures contracts may be less liquid and more volatile than U.S. contracts.

• **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”) limits, delays or prevents a Fund from selling particular securities or closing derivative positions at desirable prices. In addition to these risks, a 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). To the extent a 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 increased illiquidity risk. These types of investments can be difficult to value, exposing a Fund to the risk that the price at which it sells them will be less than the price at which they were valued when held by the Fund. Illiquidity risk also tends to be greater in times of financial stress. For example, inflation-protected securities issued by the U.S. Treasury (“TIPS”) have experienced periods of greatly reduced liquidity during disruptions in fixed income markets, such as the events surrounding the bankruptcy of Lehman Brothers in 2008. Less liquid securities are often more susceptible than other securities to price declines when market prices decline generally.

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

The Board of Trustees has designated GMO as administrator to the Funds’ liquidity risk management program, which was adopted by the Funds pursuant to Rule 22e-4 under the 1940 Act. Under that program, each 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 the sale or disposition significantly changing the market value of the investments. 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 inherent in a Fund’s investments.

Historically, credit markets have experienced periods characterized by a significant lack of liquidity, and they may experience similar periods in the future. If a Fund is required to sell illiquid investments to satisfy collateral posting requirements or to meet redemptions, those sales could put significant downward price pressure on the market price of the securities being sold.

A Fund’s ability to use options as part of its investment program depends on the liquidity of the options market. That market may not be liquid when a Fund seeks to close out an option position, and the hours of trading for options on an exchange may not conform to the hours during which the underlying securities are traded. To the extent that the options markets close before the markets for the underlying securities, significant price and rate movements can take place in the markets for those securities that are not immediately reflected in the options markets. If a Fund receives a redemption request and is unable to close out an option it has sold, the Fund would temporarily be leveraged in relation to its assets.

• **LARGE SHAREHOLDER RISK.** To the extent a large number of shares of a 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 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. In addition, the Funds and other accounts over which GMO has investment discretion that invest in the Funds are not limited in how often they may sell Fund shares. The Asset Allocation Funds and separate accounts managed by GMO for its clients hold substantial percentages of the outstanding shares of many Funds, and asset allocation decisions by GMO may result in substantial redemptions from (or investments in) those Funds, adversely affecting the Fund’s performance to the extent that the Fund is required to sell investments when it would not have otherwise done so. 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. Further, from time to time a Fund may trade in anticipation of a purchase or redemption order 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

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other losses that would otherwise reduce distributable net investment income. In addition, large shareholders may limit or prevent a Fund's use of equalization for U.S. federal tax purposes.

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

• **LEVERAGING RISK.** The use of traditional borrowing (including to meet redemption requests), reverse repurchase agreements and other derivatives and securities lending creates leverage (i.e. a Fund's investment exposures exceed its net asset value). Leverage increases a 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 greater 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. Some derivatives, similar to short sales, have the potential for unlimited loss, regardless of the size of the initial investment. Similarly, a 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 a 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 a Fund's assets is more likely in the case of Funds 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 a Fund's portfolio, the leverage effects described above can be significant and could expose a Fund and non-redeeming shareholders to material losses.

A 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, a Fund may perform as if it were leveraged.

Some Funds are permitted to purchase securities on margin or to sell securities short, either of which creates leverage. To the extent the market prices of securities pledged to counterparties to secure a Fund's margin account or short sale decline, the Fund may be required to deposit additional funds with the counterparty to avoid having the pledged securities liquidated.

• **MANAGEMENT AND OPERATIONAL RISK.** Each Fund is subject to management risk because it relies on GMO to achieve its investment objective. Each Fund 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.

For many Funds, GMO uses quantitative models as part of its investment process. Those Funds run the risk that GMO's models will not accurately predict future market movements or characteristics. In addition, GMO's models are based on assumptions that can limit their effectiveness, and they rely on data that is subject to limitations (e.g., inaccuracies, staleness) that could adversely affect their predictive value. The Funds also run 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 diminished by the faulty incorporation of mathematical models into computer code, by reliance on proprietary and third-party technology that includes errors, omissions, bugs, or viruses, and by the retrieval 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 a 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 impact on GMO's ability to achieve the Funds' investment objectives.

The Funds also are 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 a Fund from benefiting from investment gains or avoiding losses. In addition, a service provider may be unable to provide a net asset value for a Fund or share class on a timely basis. GMO is not contractually liable to the Funds 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 Funds. Other Fund service providers also have contractual limitations on their liability to the Funds for losses resulting from their errors.

The Funds and their 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 or corrupting data maintained online or

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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, a 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 a Fund's ability to calculate its net asset value, cause the release or misappropriation of private shareholder information or confidential Fund information, impede trading, cause reputational damage, and subject the Fund to regulatory fines, penalties or financial losses and additional compliance costs. The Funds' 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. Similar types of cyber security risks also are present for issuers of securities in which the Funds invest, 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 Funds from, among other things, buying or selling securities or accurately pricing their investments. The Funds cannot directly control cyber security plans and systems of their service providers, the Funds' counterparties, issuers of securities in which the Funds invest, or securities markets and exchanges, and such service providers, counterparties, or issuers may have limited, if any, indemnification obligations to GMO or the Funds, each of whom could be negatively impacted as a result.

• **MARKET DISRUPTION AND GEOPOLITICAL RISK.** The Funds are subject to the risk that geopolitical and other events (e.g., wars, pandemics and terrorism) will disrupt securities markets and adversely affect global economies and markets, thereby reducing the value of the Funds' 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, as well as in early 2020) 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, including securities held by the Funds. Fraud and other deceptive practices committed by an issuer of securities held by a Fund undermine GMO's due diligence efforts and, 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 negatively affect a Fund's investment program.

While the U.S. government has always honored its credit obligations, a default by the U.S. government (as has been threatened in the recent past) would be highly disruptive to the U.S. and global securities markets and could significantly reduce the value of the Funds' investments. Similarly, political events within the United States have resulted, and may in the future result, in shutdowns of government services, which could adversely affect the U.S. economy, reduce the value of many Fund investments, and impair 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 Funds invest by, among other things, increasing those companies' operating costs and capital expenditures. Uncertainty over 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. If a country changes its currency or if the European Union dissolves, the world's securities markets likely would be significantly disrupted. On January 31, 2020, the United Kingdom formally withdrew from the European Union (commonly known as "Brexit"), and an 11-month transition period commenced during which most European Union law will continue to apply in the United Kingdom while it negotiates its future relationship with the European Union. While the full impact of Brexit is unknown, Brexit has already resulted in volatility in European and global markets. Potential negative long-term effects could include, among others, greater market volatility and illiquidity, disruptions to world securities markets, currency fluctuations, deterioration in economic activity, a decrease in business confidence, and an increased likelihood of a recession in the United Kingdom. The consequences of the United Kingdom's or another country's exit from the European Union also could threaten the stability of the Euro and could negatively affect the financial markets of other countries in the European region and beyond, 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 increased short-term market volatility and may have adverse long-term effects on U.S. and world economies and markets generally. For example, the U.S. has imposed economic sanctions, which consist of asset freezes, restrictions on dealings in debt and equity, and certain industry-specific restrictions. These

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types of sanctions have recently been applied against the Venezuelan and Russian governments, as well as against certain Russian and Venezuelan officials and institutions. These sanctions have resulted, and any additional sanctions or intergovernmental actions or even the threat of further sanctions could result, in a decline in the value and liquidity of Russian and Venezuelan securities, a weakening of the Russian and Venezuelan currencies or other adverse consequences to their respective economies. Sanctions impair the ability of the Funds to buy, sell, receive or deliver those securities and/or assets that are subject to the sanctions. 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 Funds are difficult 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 a novel coronavirus beginning in late 2019 (described below)), and systemic market dislocations (such as the kind surrounding the insolvency of Lehman Brothers in 2008) can be highly disruptive to economies and markets, adversely affecting individual companies and industries, securities markets, interest rates, credit ratings, inflation, investor sentiment and the market price of the Funds’ investments. During such market disruptions, the Funds’ exposure to the risks described elsewhere in this “Investment and other risks” section will likely increase. Market disruptions, including sudden government interventions, can also prevent the Funds from implementing their investment programs and achieving their investment objectives. For example, a market disruption may adversely affect the orderly functioning of the securities markets and may cause the Funds’ derivatives counterparties to discontinue offering derivatives on some underlying commodities, securities, reference rates, or indices or to offer them on a more limited basis. To the extent a Fund has focused its investments in the stock index of a particular region, adverse geopolitical and other events in that region could have a disproportionate impact on the Fund.

An outbreak of respiratory disease caused by a novel coronavirus designated as COVID-19 was first detected in China in December 2019 and subsequently spread internationally. The transmission of COVID-19 and efforts to contain its spread have resulted in, among other things, border closings and other significant travel restrictions and disruptions, significant disruptions to business operations, supply chains and customer activity, government economic stimulus measures, lower consumer demand for goods and services, event cancellations and restrictions, service cancellations, rapid increases in unemployment, increased demand for and strain on government resources, significant challenges in healthcare service preparation and delivery, and prolonged quarantines, as well as general concern and uncertainty. The impact of the COVID-19 outbreak could negatively affect the global economy, the economies of individual countries, and the financial performance of individual issuers, sectors, industries, asset classes, and markets in significant and unforeseen ways and may continue to do so in the future. Health crises caused by the outbreak of COVID-19 may also exacerbate other pre-existing political, social, economic, market and financial risks. The effects of the outbreak in developing or emerging market countries may be greater due to less established health care systems. The COVID-19 pandemic and its effects may be short term or may last for an extended period of time, and in either case could result in significant market volatility, exchange trading suspensions and closures, declines in global financial markets, higher default rates, and a substantial economic downturn or recession. The foregoing could impair the Funds’ ability to maintain operational standards (such as with respect to satisfying redemption requests), disrupt the operations of the Funds’ service providers, adversely affect the value and liquidity of the Funds’ investments, and negatively impact the Funds’ performance and your investment in a Fund.

• **MARKET RISK.** All of the Funds are subject to market risk, which is the risk that the market price of their holdings will decline. Market risks include:

Asset-Backed Securities — Investments in asset-backed securities not only are subject to all of the market risks described under “Market Risk — Fixed Income” but to other market risks as well.

Asset-backed securities are often exposed to greater risk of severe credit downgrades, illiquidity, and defaults than many other types of fixed income investments. These risks become particularly acute during periods of adverse market conditions, such as those that occurred in 2008.

As described under “Market Risk — Fixed Income,” the market price of asset-backed securities, like that of other fixed income investments with complex structures, can decline for a variety of reasons, including market uncertainty about their credit quality and the reliability of their payment streams. Payment of interest on asset-backed securities and repayment of principal largely depend on the cash flow generated by the assets backing the securities, as well as the deal structure (e.g., the amount of underlying assets or other support available to produce the cash flows necessary to service interest and make principal payments), the quality of the underlying assets, the level of credit support and the credit quality of the credit-support provider, if any, and the performance of other service

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providers with access to the payment stream. A problem in any of these factors can lead to a reduction in the payment stream GMO expected a Fund to receive when the Fund purchased the asset-backed security. Principal repayments of asset-backed securities are at risk if obligors of the underlying obligations default and the value of the defaulted obligations exceeds whatever credit support the securities have. Asset-backed securities backed by sub-prime mortgage loans, in particular, expose a Fund to potentially greater declines in value due to defaults because sub-prime mortgage loans are typically made to less creditworthy borrowers and thus have a higher risk of default than conventional mortgage loans. Issuers of asset-backed securities also are subject to bankruptcy, insolvency and other laws affecting the rights and remedies of creditors. As of the date of this report, many asset-backed securities owned by the Funds are rated below investment grade. See “Credit Risk” for more information about credit risk.

When worldwide economic and liquidity conditions deteriorated in 2008, the markets for asset-backed securities became fractured, and uncertainty about the creditworthiness of those securities (and underlying assets) caused credit spreads (the difference between yields on asset-backed securities and U.S. Government securities) to widen dramatically. Concurrently, systemic risks of the type evidenced by the insolvency of Lehman Brothers and subsequent market disruptions reduced the ability of financial institutions to make markets in many asset-backed (as well as others) fixed income securities. These events reduced liquidity and contributed to substantial declines in the market prices of asset-backed (and other) fixed income securities, and they may occur again. Also, government actions and proposals affecting the terms of underlying home and consumer loans, changes in demand for products (e.g., automobiles) financed by those loans, and the inability of borrowers to refinance existing loans (e.g., sub-prime mortgages) have had, and may continue to have, adverse valuation and liquidity effects on asset-backed securities.

The market price of an asset-backed security depends in part on the servicing of its underlying assets and is, therefore, subject to risks associated with the negligence or defalcation of its servicer. The mishandling of documentation for underlying assets also can affect the rights of holders of those underlying assets. The insolvency of a servicer is likely to result in a decline in the market price of the securities it is servicing, as well as costs and delays. The obligations underlying asset-backed securities, in particular securities backed by pools of residential and commercial mortgages, also are subject to unscheduled prepayment, and a Fund may be unable to invest prepayments at as high a yield as was provided by the asset-backed security. When interest rates rise, the obligations underlying asset-backed securities may be repaid more slowly than anticipated, and the market price of those securities may decrease.

The existence of insurance on an asset-backed security does not guarantee that the principal and interest will be paid because the insurer could default on its obligations.

The risk of investing in asset-backed securities has increased since 2008 because performance of the various sectors in which the assets underlying asset-backed securities are concentrated (e.g., auto loans, student loans, sub-prime mortgages, and credit card receivables) has become more highly correlated. See “Focused Investment Risk” for more information about risks of investing in correlated sectors. A single financial institution may serve as a servicer for many asset-backed securities. As a result, a disruption in that institution’s business would likely have a material impact on the many asset-backed securities it services. The risks associated with asset-backed securities are particularly pronounced for Opportunistic Income Fund, which has invested a substantial portion of its assets in asset-backed securities, and for the Funds that have invested a substantial portion of their assets in Opportunistic Income Fund.

Equities — Funds that invest in equities run 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 real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. The market prices of equities are volatile and can decline in a rapid or unpredictable manner. Equities which are characterized as relatively cyclical, such as investments in companies in the consumer discretionary, financials, energy, real estate, materials and industrials sectors, often are especially sensitive to economic cycles, which means they typically underperform non-cyclical equities during economic downturns. Cyclical equities’ performance can be significantly affected by among other factors, cyclical revenue generation, consumer confidence and changing consumer preferences, and the performance of domestic and international economies. If a Fund purchases an equity for what GMO believes is less than its fundamental fair (or intrinsic) value, the Fund runs the risk that the market price of the equity will not appreciate or decline due to GMO’s incorrect assessment. 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.

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Fixed Income — Funds that invest in fixed income investments (including bonds, notes, bills, synthetic debt instruments, and asset-backed securities) are subject to various market risks. The market price of a fixed income investment can decline due to market-related factors, including rising interest rates and widening credit spreads, or decreased liquidity due, for example, to market uncertainty about the value of a fixed income investment (or class of fixed income investments). In addition, the market price of fixed income investments with complex structures, such as asset-backed securities and sovereign and quasi-sovereign debt investments, can decline due to uncertainty about their credit quality and the reliability of their payment streams. Some fixed income investments also are subject to unscheduled prepayment, and a Fund may be unable to invest prepayments at as high a yield as was provided by the fixed income investment. When interest rates rise, fixed income investments also may be repaid more slowly than anticipated, causing a decrease in their market price. During periods of economic uncertainty and change, the market price of a Fund's investments in below investment grade investments (commonly referred to as "high yield" or "junk bonds") may be particularly volatile. Often, below investment grade investments are subject to greater sensitivity to interest rate and economic changes than higher rated investments and can be more difficult to value, exposing a Fund to the risk that the price at which it sells them will be less than the price at which they were valued when held by the Fund. See "Credit Risk" and "Illiquidity Risk" for more information about these risks.

A principal risk run by each Fund with significant investment in fixed income investments is that an increase in prevailing interest rates will cause the market price of those securities to decline. The risk associated with increases in interest rates (also called "interest rate risk") is greater for Funds investing in fixed income investments with longer durations. In addition, in managing some Funds, GMO may seek to evaluate potential investments in part by considering the volatility of interest rates. The value of a Fund's investments would likely be significantly reduced if GMO's assessment proves incorrect.

The extent to which the market price of a fixed income investment changes with changes in interest rates is referred to as interest rate duration, which can be measured mathematically or empirically. A longer-maturity investment generally has longer interest rate duration because its fixed rate is locked in for a longer period of time. Floating-rate or variable-rate investments generally have shorter interest rate durations because their interest rates are not fixed but rather float up and down as interest rates change. Conversely, inverse floating-rate investments have durations that move in the opposite direction from short-term interest rates and thus tend to underperform fixed rate investments when interest rates rise but outperform them when interest rates decline. Fixed income investments paying no interest, such as zero coupon and principal-only securities, are subject to additional interest rate risk.

The market price of inflation-indexed bonds (including TIPS) typically declines during periods of rising real interest rates (i.e. nominal interest rate minus inflation) and increases during periods of declining real interest rates. In some interest rate environments, such as when real interest rates are rising faster than nominal interest rates, the market price of inflation-indexed bonds may decline more than the price of non-inflation-indexed (or nominal) fixed income bonds with similar maturities.

When interest rates on short term U.S. Treasury obligations equal or approach zero, a Fund that invests a substantial portion of its assets in U.S. Treasury obligations, such as U.S. Treasury Fund, will have a negative return unless GMO waives or reduces its management fee.

Fixed income securities denominated in foreign currencies also are subject to currency risk. See "Currency Risk."

In response to government intervention, economic or market developments, or other factors, markets for fixed income investments may experience periods of high volatility, reduced liquidity or both. During those periods, a Fund could have unusually high shareholder redemptions, requiring it to generate cash by selling portfolio investments when it would otherwise not do so, including at unfavorable prices. The risks associated with rising interest rates are generally greater during periods when prevailing interest rates are at or near their historic lows. Moreover, fixed income investments will be difficult to value during such periods. The U.S. Federal Reserve Bank recently decreased interest rates back to near historically low levels. A substantial increase in interest rates could have a material adverse effect on fixed income investments and on the performance of the Funds. Other actions by central banks or regulators (such as intervention in foreign currency markets or imposition of currency controls) also could have a material adverse effect on the Funds.

• **NON-DIVERSIFIED FUNDS.** All of the Funds (except U.S. Treasury Fund) are not "diversified" investment companies within the meaning of the 1940 Act. This means they are allowed to invest in the securities of a relatively small number of issuers. As a result, they are likely to be subject to greater credit, market and other risks than if their investments were more diversified, and poor performance by a single investment is likely to have a greater impact on their performance.

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In addition, each of the Funds (other than U.S. Treasury Fund) may invest in shares of one or more other GMO Funds that are not “diversified” investment companies within the meaning of the 1940 Act.

• **NON-U.S. INVESTMENT RISK.** Funds that invest in non-U.S. securities are subject to more risks than Funds that invest only in U.S. securities. Many non-U.S. securities markets list securities of only a small number of companies in a small number of industries. As a result, the market prices of securities traded on those markets (particularly in emerging markets) often fluctuate more than those of U.S. securities. 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, accounting, custody, and auditing standards to which those issuers are subject often are not as rigorous as U.S. standards. Transactions in non-U.S. securities generally involve higher commission rates, transfer taxes, and custodial costs. In addition, some countries limit a Fund’s ability to profit from short-term trading (as defined in that country).

A 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. A 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, a Fund’s pursuit of a tax refund may subject it to administrative and judicial proceedings in the country where it is seeking the refund.

A Fund’s decision to seek a refund is in its sole discretion, and, particularly in light of the cost involved, it may decide not to seek a refund, even if it is entitled to one. The outcome of a Fund’s efforts to obtain a refund is inherently unpredictable. In some cases, the amount of a refund could be material to a Fund’s net asset value. Accordingly, a refund is not typically reflected in the Fund’s net asset value until it is received or GMO is confident it will be received. Generally, absent a determination by GMO that a refund is collectible and free from significant contingencies, a refund is not reflected in a Fund’s net asset value until it is received. See “Taxes, Non-U.S. Taxes” in the GMO Trust Statement of Additional Information for additional information.

Investing in non-U.S. securities also exposes a Fund to the risk of nationalization, expropriation, or confiscatory taxation of assets of their issuers, government involvement in every country, including the U.S., or 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 a 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 a Fund’s non-U.S. securities (see “Currency Risk”).

The Funds need 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, a 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. The receipt of a non-U.S. license by one of GMO’s clients may preclude a Fund from obtaining a similar license. In addition, the activities of a GMO client could cause the suspension or revocation of a Fund’s license.

Funds that invest a significant portion of their assets in securities of issuers tied economically to emerging countries (or investments related to emerging markets) are subject to greater 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: greater fluctuations in currency exchange rates; increased risk of default (by both government and private issuers); greater social, economic, and political uncertainty and instability (including the risk of war); increased risk of nationalization, expropriation, or other confiscation of issuer assets; greater 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; controls on investment, capital controls and limitations on repatriation of invested capital, dividends, interest and other income and on a 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); unavailability of currency hedging techniques; less rigorous auditing and financial

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reporting standards and resulting unavailability of reliable information about issuers; slower clearance and settlement; difficulties in obtaining and enforcing legal judgments; and significantly smaller market capitalizations of issuers. In addition, the economies of emerging countries may 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. For example, the Public Company Accounting Oversight Board, which regulates auditors of U.S. public companies, is unable to inspect audit work papers in certain foreign countries, and the ability of the SEC, the U.S. Department of Justice and other authorities to bring and enforce actions against foreign issuers or foreign persons is limited.

• **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.

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

The Funds (other than Emerging Country Debt Fund, High Yield Fund and U.S. Treasury Fund) may take temporary defensive positions if deemed prudent by GMO. Many of the Funds have previously taken temporary defensive positions.

To the extent a 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.

4. Derivative financial instruments

Derivatives are financial contracts whose value depends on, or is derived from, the value of underlying assets, reference rates, or indices that are used to increase, decrease or adjust elements of the investment exposures of a Fund's portfolio. Derivatives may relate to securities, interest rates, currencies, currency exchange rates, inflation rates, commodities and indices, and include foreign currency contracts, swap contracts, reverse repurchase agreements, and other exchange-traded and OTC contracts.

The Funds may use derivatives to gain long investment exposure to securities or other assets. In particular, the Funds may use swaps, options, or other derivatives on an index, an ETF, a single security, or a basket of securities to gain investment exposures (e.g., by selling protection under a credit default swap). The Funds also may use currency derivatives (including forward currency contracts, futures contracts, swap contracts and options) to gain exposure to a given currency.

The Funds may use derivatives in an attempt to reduce their investment exposures (which may result in a reduction below zero). For example, a Fund may use credit default swaps to take a short position with respect to the likelihood of default by an issuer or may use a bond futures contract to short the bond market of a particular country. A Fund also may use currency derivatives in an attempt to reduce (which may result in a reduction below zero) some aspect of the currency exposure in its portfolio. For these purposes, the Fund may use an instrument denominated in a different currency that GMO believes is highly correlated with the relevant currency. The Funds may use derivatives in an attempt to adjust elements of their investment exposures to various securities, sectors, markets, indices, ETFs, and currencies without actually having to sell existing investments or make new direct investments. For instance, GMO may alter the interest rate exposure of debt instruments by employing interest rate swaps. Such a strategy is designed to maintain the Fund's exposure to the credit of an issuer through the debt instrument but adjust the Fund's interest rate exposure through the swap. With these swaps, the Fund and its counterparties exchange interest rate exposure, such as fixed versus variable rates and shorter duration versus longer duration exposure. In adjusting its investment exposures, a Fund also may use currency derivatives in an attempt to adjust its currency exposure, seeking currency exposure that is different (in some cases, significantly different) from the currency exposure represented by its portfolio investments.

Each of the Funds is not limited in its use of derivatives or in the total notional value of its derivative positions. As a result of their derivative positions, a Fund may have gross investment exposures in excess of its net assets (i.e., the Fund may be leveraged) and therefore are subject to heightened risk of loss. Each Fund's (other than U.S. Treasury Fund) performance can depend substantially, if not primarily, on the performance of assets or indices underlying its derivatives even though it does not own those assets or indices.

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Certain derivatives transactions that may be used by the Funds, including certain interest rate swaps and certain credit default index swaps, are required to be transacted through a central clearing organization. The Funds hold cleared derivatives transactions, if any, through clearing members, who are members of derivatives clearing houses. Certain other derivatives, including futures and certain options, are transacted on exchanges. The Funds hold exchange-traded derivatives through clearing brokers that are typically members of the exchanges. In contrast to bilateral derivatives transactions, following a period of advance notice to the Fund, clearing brokers generally can require termination of existing cleared or exchange-traded derivatives transactions at any time and increases in margin above the margin that it required at the beginning of a transaction. Clearing houses and exchanges also have broad rights to increase margin requirements for existing transactions and to terminate transactions. Any such increase or termination could interfere with the ability of a Fund to pursue its investment strategy. Also, a Fund is subject to execution 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 that case, the transaction might have to be terminated, and the Fund could lose some or all of the benefit of any increase in the value of the transaction after the time of the transaction.

The use of derivatives involves risks that are in addition to, and potentially greater than, the risks associated with investing directly in securities and other more traditional assets. See "Investment and other risks" above for further information.

For Funds that held derivatives during the period ended August 31, 2020, the following table shows how the Fund used these derivatives (marked with an X):

Type of Derivative and Objective for Use	Emerging Country Debt Fund	High Yield Fund	Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)	Opportunistic Income Fund
Forward currency contracts				
Adjust currency exchange rate risk	X	X	X	X
Adjust exposure to foreign currencies	X	X	X	
Futures contracts				
Adjust interest rate exposure		X	X	X
Maintain the diversity and liquidity of the portfolio		X	X	X
Options (Purchased)				
Adjust currency exchange rate risk			X	
Adjust exposure to foreign currencies			X	
Achieve exposure to a reference entity's credit				X
Provide a measure of protection against default loss				X
Options (Written)				
Achieve exposure to a reference entity's credit				X
Provide a measure of protection against default loss				X
Options (Credit linked)				
Achieve exposure to a reference entity's credit	X			
Swap contracts				
Achieve exposure to a reference entity's credit	X	X		X
Adjust exposure to certain markets				X
Adjust interest rate exposure	X		X	X
Provide a measure of protection against default loss	X			X
Provide exposure to the Fund's benchmark		X	X	
Adjust exposure to foreign currencies	X			
Hedge non-core equity exposure			X	

Forward currency contracts

The Funds (except U.S. Treasury Fund) may enter into forward currency contracts, including forward cross currency contracts. A forward currency contract is an agreement between two parties to buy and sell a currency at a set price on a future date (or to pay or receive the amount of the change in relative values of the two currencies). The market price of a forward currency contract fluctuates with changes in forward currency exchange rates. The value of each of the Fund's forward currency contracts is marked-to-market daily using rates supplied by a quotation service and changes in value are recorded by each Fund as unrealized gains or losses. Realized gains or losses on the contracts are equal to the difference between the value of the contract at the time it was opened and the value at the time it was settled.

These contracts involve market risk in excess of the unrealized gain or loss. Forward currency contracts expose a Fund to the market risk of unfavorable movements in currency values and the risk that the counterparty will be unable or unwilling to meet the terms of the contracts. Most forward currency contracts are collateralized. Forward currency contracts outstanding at the end of the period, if any, are listed in each applicable Fund's Schedule of Investments.

Futures contracts

The Funds may purchase and sell futures contracts. A futures contract is a contract that obligates the holder to buy or sell an asset at a predetermined delivery price at a specified time in the future. Some futures contracts are net (cash) settled. Upon entering into a futures contract, a Fund is required to deposit cash, U.S. government and agency obligations or other liquid assets with the futures clearing broker in accordance with the initial margin requirements of the broker or exchange. Futures contracts are generally valued at the settlement price established at the close of business each day by the board of trade or exchange on which they are traded (and if the futures are traded outside the U.S. and the market for such futures is closed prior to the close of the NYSE due to time zone differences, the values will be adjusted, to the extent practicable and available, based on inputs from an independent pricing service approved by the Trustees to reflect estimated valuation changes through the NYSE close). The value of each of the Fund's futures contracts is marked-to-market daily and an appropriate payable or receivable for the change in value ("variation margin") is recorded by each Fund. The payable or receivable is settled on the following business day. Gains or losses are recognized but not accounted for as realized until the contracts expire or are closed. Futures contracts involve, to varying degrees, risk of loss in excess of the variation margin as recorded in the Statements of Assets and Liabilities. Under some circumstances, futures exchanges may establish daily limits on the amount that the price of a futures contract can vary from the previous day's settlement price, thereby effectively preventing liquidation of unfavorable positions. Futures contracts expose the Funds to the risk that they may not be able to enter into a closing transaction due to an illiquid market. Futures contracts outstanding at the end of the period, if any, are listed in each applicable Fund's Schedule of Investments.

Options

The Funds may purchase call and put options. A call option gives the holder the right to buy an asset; a put option gives the holder the right to sell an asset. "Quanto" options are cash-settled options in which the underlying asset (often an index) is denominated in a currency other than the currency in which the option is settled. By purchasing options a Fund alters its exposure to the underlying asset by, in the case of a call option, entitling it to purchase the underlying asset at a set price from the writer of the option and, in the case of a put option, entitling it to sell the underlying asset at a set price to the writer of the option. A Fund pays a premium for a purchased option. That premium, if any, which is disclosed in the Schedule of Investments, is subsequently reflected in the marked-to-market value of the option. The potential loss associated with purchasing put and call options is limited to the premium paid. Purchased option contracts outstanding at the end of the period, if any, are listed in each applicable Fund's Schedule of Investments.

The Funds may write (i.e. sell) call and put options on futures, swaps ("swaptions"), securities or currencies they own or in which they may invest. Writing options alters a Fund's exposure to the underlying asset by, in the case of a call option, obligating that Fund to sell the underlying asset at a set price to the option-holder and, in the case of a put option, obligating that Fund to purchase the underlying asset at a set price from the option-holder. In some cases (e.g., index options), settlement will be in cash, based on a formula price. When a Fund writes a call or put option, an amount equal to the premium received is recorded as a liability and is subsequently included in the marked-to-market value of the option. As a writer of an option, a Fund has no control over whether it will be required to sell (call) or purchase (put) the underlying asset and as a result bears the risk of an unfavorable change in the price of the asset underlying the option. In the event that a Fund writes call options without an offsetting exposure (e.g., call options on an asset that the Fund does not own), it bears an unlimited risk of loss if the price of the underlying asset increases during the term of the option. OTC options expose a Fund to the risk the Fund may not be able to enter into a closing transaction because of an illiquid market. Written option contracts outstanding at the end of the period, if any, are listed in each applicable Fund's Schedule of Investments.

When an option contract is closed, the Fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed. Realized gains and losses on purchased options are included in realized

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gains and losses on investment securities. If a written call option is exercised, the premium originally received is recorded as an addition to sales proceeds. If a written put option is exercised, the premium originally received is recorded as a reduction in the cost of investments purchased. Gains and losses from the expiration or closing of written option contracts are separately disclosed in the Statements of Operations.

In a credit linked option contract, one party makes payments to another party in exchange for the option to exercise a contract where the buyer has the right to receive a specified return if a credit event (e.g., default or similar event) occurs with respect to a reference entity or entities and a specified decrease in the value of the related collateral occurs. A writer of a credit linked option receives periodic payments in return for its obligation to pay an agreed-upon value to the other party if they exercise their option in the case of a credit event. If no credit event occurs, the seller has no payment obligation and will keep the premiums received.

Swap contracts

The Funds may directly or indirectly use various swap contracts, including, without limitation, swaps on securities and securities indices, total return swaps, interest rate swaps, basis swaps, currency swaps, credit default swaps, variance swaps, commodity swaps, inflation swaps, municipal swaps, dividend swaps, volatility swaps, correlation swaps and other types of available swaps. A swap contract is an agreement to exchange the return generated by one asset for the return generated by another asset. Some swap contracts are net settled. When entering into a swap contract and during the term of the transaction, a Fund and/or the swap counterparty may post or receive cash or securities as collateral.

Initial upfront payments received or made upon entering into a swap contract are included in the fair market value of the swap. The Funds do not amortize upfront payments. Net periodic payments made or received to compensate for differences between the stated terms of the swap contract and prevailing market conditions (credit spreads, currency exchange rates, interest rates, and other relevant factors) are recorded as realized gains or losses in the Statements of Operations. A liquidation payment received or made at the termination of the swap contract is recorded as realized gain or loss in the Statements of Operations. The periodic frequency of payments received may differ from periodic payment frequencies made and their frequencies could be monthly, quarterly, semiannually, annually or at maturity.

Interest rate swap contracts involve an exchange by the parties of their respective commitments to pay or rights to receive interest (e.g., an exchange of floating rate interest payments for fixed rate interest payments with respect to the notional amount of principal). Basis swaps are interest rate swaps that involve the exchange of two floating interest rate payments and may involve the exchange of two different currencies.

Inflation swaps involve the exchange of a floating rate linked to an index for a fixed rate interest payment with respect to a notional amount or principal.

Total return swap contracts involve a commitment by one party to pay interest to the other party in exchange for a payment to it from the other party based on the return of a reference asset (e.g., a security, basket of securities, or futures contract), both based on notional amounts. To the extent the return of the reference asset exceeds or falls short of the interest payments, one party is entitled to receive a payment from or obligated to make a payment to the other party.

In a credit default swap contract, one party makes payments to another party in exchange for the right to receive a specified return (or to put a security) if a credit event (e.g., default or similar event) occurs with respect to a reference entity or entities. A seller of credit default protection receives periodic payments in return for its obligation to pay the principal amount of a debt security (or other agreed-upon value) to the other party upon the occurrence of a credit event. If no credit event occurs, the seller has no payment obligations so long as there is no early termination.

For credit default swap contracts on asset-backed securities, a credit event may be triggered by various occurrences, which may include an issuer's failure to pay interest or principal on a reference security, a breach of a material representation or covenant, an agreement by the holders of an asset-backed security to a maturity extension, or a write-down on the collateral underlying the security. For credit default swap contracts on corporate or sovereign issuers, a credit event may be triggered by such occurrences as the issuer's bankruptcy, failure to pay interest or principal, repudiation/moratorium and/or restructuring.

Correlation swaps involve receiving a stream of payments based on the actual average correlation between or among the price movements of two or more underlying variables over a period of time, in exchange for making a regular stream of payments based on

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a fixed “strike” correlation level (or vice versa), where both payment streams are based on a notional amount. The underlying variables may include, without limitation, commodity prices, exchange rates, interest rates and stock indices.

Variance swap contracts involve an agreement by two parties to exchange cash flows based on the measured variance (or square of volatility) of a specified underlying asset. One party agrees to exchange a “fixed rate” or strike price payment for the “floating rate” or realized price variance on the underlying asset with respect to the notional amount. At inception, the strike price chosen is generally fixed at a level such that the fair value of the swap is zero. As a result, no money changes hands at the initiation of the contract. At the expiration date, the amount payable by one party to the other is the difference between the realized price variance of the underlying asset and the strike price multiplied by the notional amount. A receiver of the realized price variance would be entitled to receive a payment when the realized price variance of the underlying asset is greater than the strike price and would be obligated to make a payment when that variance is less than the strike price. A payer of the realized price variance would be obligated to make a payment when the realized price variance of the underlying asset is greater than the strike price and would be entitled to receive a payment when that variance is less than the strike price. This type of agreement is essentially a forward contract on the future realized price variance of the underlying asset.

Generally, the Funds price their OTC swap contracts daily using industry standard models that may incorporate quotations from market makers or pricing vendors and record the change in value, if any, as unrealized gain or loss in the Statements of Operations. Gains or losses are realized upon the termination of the swap contracts or reset dates, as appropriate. Cleared swap contracts are valued using the quote (which may be based on a model) published by the relevant clearing house. If an updated quote for a cleared swap contract is not available by the time that a Fund calculates its net asset value on any business day, then that swap contract will generally be valued using an industry standard model, which may differ from the model used by the relevant clearing house.

The values assigned to swap contracts may differ significantly from the values realized upon termination, and the differences could be material. Entering into swap contracts involves counterparty credit, legal, and documentation risk that is generally not reflected in the value assigned to the swap contract. Such risks include the possibility that the counterparty defaults on its obligations to perform or disagrees as to the meaning of contractual terms, that a Fund has amounts on deposit in excess of amounts owed by that Fund, or that any collateral the other party posts is insufficient or not timely received by a Fund. Credit risk is particularly acute in economic environments in which financial services firms are exposed to systemic risks of the type evidenced by the insolvency of Lehman Brothers in 2008 and subsequent market disruptions. Swap contracts outstanding at the end of the period, if any, are listed in each applicable Fund’s Schedule of Investments.

* * *

As provided by U.S. GAAP, the table below is based on market values or unrealized appreciation/(depreciation) rather than the notional amounts of derivatives. Changes to market values of reference asset(s) will tend to have a greater impact on the Funds (with correspondingly greater risk) the greater the notional amount. For further information on notional amounts, see the Schedule of Investments.

The following is a summary of the valuations of derivative instruments categorized by risk exposure.

The Effect of Derivative Instruments on the Statements of Assets and Liabilities as of August 31, 2020 and the Statements of Operations for the period ended August 31, 2020[^]:

The risks referenced in the tables below are not intended to be inclusive of all risks. Please see the “Investment and other risks” and “Portfolio valuation” sections for a further discussion of risks.

	Credit Contracts	Equity Contracts	Foreign Currency Contracts	Interest Rate Contracts	Other Contracts	Total
Emerging Country Debt Fund						
Asset Derivatives						
Unrealized Appreciation on Forward Currency Contracts	\$ —	\$ —	\$ 660,940	\$ —	\$ —	\$ 660,940
Options, at value	325,716	—	—	—	—	325,716
Swap Contracts, at value [□]	21,536,717	—	—	548,047	—	22,084,764
Total	<u>\$ 21,862,433</u>	<u>\$ —</u>	<u>\$ 660,940</u>	<u>\$ 548,047</u>	<u>\$ —</u>	<u>\$ 23,071,420</u>

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	Credit Contracts	Equity Contracts	Foreign Currency Contracts	Interest Rate Contracts	Other Contracts	Total
Emerging Country Debt Fund (continued)						
Liability Derivatives						
Unrealized Depreciation on Forward Currency Contracts	\$ —	\$ —	\$ (8,239,641)	\$ —	\$ —	\$ (8,239,641)
Options, at value	(590,466)	—	—	—	—	(590,466)
Swap Contracts, at value [□]	(11,129,982)	—	—	(7,668,428)	—	(18,798,410)
Total	<u>\$ (11,720,448)</u>	<u>\$ —</u>	<u>\$ (8,239,641)</u>	<u>\$ (7,668,428)</u>	<u>\$ —</u>	<u>\$ (27,628,517)</u>
Net Realized Gain (Loss) on						
Forward Currency Contracts	\$ —	\$ —	\$ 269,472	\$ —	\$ —	\$ 269,472
Options	(7,034)	—	—	—	—	(7,034)
Swap Contracts	35,280,121	—	—	(1,389,989)	—	33,890,132
Total	<u>\$ 35,273,087</u>	<u>\$ —</u>	<u>\$ 269,472</u>	<u>\$ (1,389,989)</u>	<u>\$ —</u>	<u>\$ 34,152,570</u>
Change in Net Appreciation (Depreciation) on						
Forward Currency Contracts	\$ —	\$ —	\$ (9,992,586)	\$ —	\$ —	\$ (9,992,586)
Options	(1,293,884)	—	—	—	—	(1,293,884)
Swap Contracts	(21,409,849)	—	—	2,005,473	—	(19,404,376)
Total	<u>\$ (22,703,733)</u>	<u>\$ —</u>	<u>\$ (9,992,586)</u>	<u>\$ 2,005,473</u>	<u>\$ —</u>	<u>\$ (30,690,846)</u>
High Yield Fund						
Asset Derivatives						
Unrealized Appreciation on Futures Contracts [□]	\$ —	\$ —	\$ —	\$ 40,397	\$ —	\$ 40,397
Swap Contracts, at value [□]	1,676,579	—	—	—	—	1,676,579
Total	<u>\$ 1,676,579</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 40,397</u>	<u>\$ —</u>	<u>\$ 1,716,976</u>
Liability Derivatives						
Unrealized Depreciation on Forward Currency Contracts	\$ —	\$ —	\$ (202,247)	\$ —	\$ —	\$ (202,247)
Unrealized Depreciation on Futures Contracts [□]	—	—	—	(5,363)	—	(5,363)
Total	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (202,247)</u>	<u>\$ (5,363)</u>	<u>\$ —</u>	<u>\$ (207,610)</u>
Net Realized Gain (Loss) on						
Forward Currency Contracts	\$ —	\$ —	\$ (555,894)	\$ —	\$ —	\$ (555,894)
Futures Contracts	—	—	—	428,985	—	428,985
Swap Contracts	(3,174,820)	—	—	(2,694,219)	—	(5,869,039)
Total	<u>\$ (3,174,820)</u>	<u>\$ —</u>	<u>\$ (555,894)</u>	<u>\$ (2,265,234)</u>	<u>\$ —</u>	<u>\$ (5,995,948)</u>
Change in Net Appreciation (Depreciation) on						
Forward Currency Contracts	\$ —	\$ —	\$ 417,442	\$ —	\$ —	\$ 417,442
Futures Contracts	—	—	—	(36,598)	—	(36,598)
Swap Contracts	1,815,337	—	—	113,941	—	1,929,278
Total	<u>\$ 1,815,337</u>	<u>\$ —</u>	<u>\$ 417,442</u>	<u>\$ 77,343</u>	<u>\$ —</u>	<u>\$ 2,310,122</u>
Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)						
Asset Derivatives						
Unrealized Appreciation on Forward Currency Contracts	\$ —	\$ —	\$ 2,686,425	\$ —	\$ —	\$ 2,686,425
Unrealized Appreciation on Futures Contracts [□]	—	—	—	148,805	—	148,805
Swap Contracts, at value [□]	—	—	—	2,123,413	—	2,123,413
Total	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 2,686,425</u>	<u>\$ 2,272,218</u>	<u>\$ —</u>	<u>\$ 4,958,643</u>
Liability Derivatives						
Unrealized Depreciation on Forward Currency Contracts	\$ —	\$ —	\$ (3,383,121)	\$ —	\$ —	\$ (3,383,121)
Unrealized Depreciation on Futures Contracts [□]	—	—	—	(13,350)	—	(13,350)
Swap Contracts, at value [□]	—	—	—	(1,078,912)	—	(1,078,912)
Total	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (3,383,121)</u>	<u>\$ (1,092,262)</u>	<u>\$ —</u>	<u>\$ (4,475,383)</u>

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	Credit Contracts	Equity Contracts	Foreign Currency Contracts	Interest Rate Contracts	Other Contracts	Total
Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund) (continued)						
Net Realized Gain (Loss) on						
Investments (purchased options)	\$ —	\$ —	\$ 4,830	\$ —	\$ —	\$ 4,830
Forward Currency Contracts	—	—	(1,715,010)	—	—	(1,715,010)
Futures Contracts	—	—	—	6,171,866	—	6,171,866
Swap Contracts	—	—	—	7,657,696	—	7,657,696
Total	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (1,710,180)</u>	<u>\$ 13,829,562</u>	<u>\$ —</u>	<u>\$ 12,119,382</u>
Change in Net Appreciation (Depreciation) on						
Investments (purchased options)	\$ —	\$ —	\$ 4,601	\$ —	\$ —	\$ 4,601
Forward Currency Contracts	—	—	495,613	—	—	495,613
Futures Contracts	—	—	—	(1,778,156)	—	(1,778,156)
Swap Contracts	—	—	—	(4,234,309)	—	(4,234,309)
Total	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 500,214</u>	<u>\$ (6,012,465)</u>	<u>\$ —</u>	<u>\$ (5,512,251)</u>
Opportunistic Income Fund						
Asset Derivatives						
Investments, at value (purchased options)	\$ 149,393	\$ —	\$ —	\$ —	\$ —	\$ 149,393
Unrealized Appreciation on Forward Currency Contracts	—	—	169,783	—	—	169,783
Swap Contracts, at value [□]	26,369,759	—	—	4,307	—	26,374,066
Total	<u>\$ 26,519,152</u>	<u>\$ —</u>	<u>\$ 169,783</u>	<u>\$ 4,307</u>	<u>\$ —</u>	<u>\$ 26,693,242</u>
Liability Derivatives						
Unrealized Depreciation on Forward Currency Contracts	\$ —	\$ —	\$ (118,503)	\$ —	\$ —	\$ (118,503)
Unrealized Depreciation on Futures Contracts [□]	—	—	—	(6,574)	—	(6,574)
Written Options, at value	(271,190)	—	—	—	—	(271,190)
Swap Contracts, at value [□]	(9,331,777)	—	—	(6,176,938)	—	(15,508,715)
Total	<u>\$ (9,602,967)</u>	<u>\$ —</u>	<u>\$ (118,503)</u>	<u>\$ (6,183,512)</u>	<u>\$ —</u>	<u>\$ (15,904,982)</u>
Net Realized Gain (Loss) on						
Investments (purchased options)	\$ 738,408	\$ —	\$ —	\$ —	\$ —	\$ 738,408
Forward Currency Contracts	—	—	1,012	—	—	1,012
Futures Contracts	—	—	—	801,368	—	801,368
Written Options	(57,708)	—	—	—	—	(57,708)
Swap Contracts	7,414,859	—	—	(2,239,934)	—	5,174,925
Total	<u>\$ 8,095,559</u>	<u>\$ —</u>	<u>\$ 1,012</u>	<u>\$ (1,438,566)</u>	<u>\$ —</u>	<u>\$ 6,658,005</u>
Change in Net Appreciation (Depreciation) on						
Investments (purchased options)	\$ (1,202,199)	\$ —	\$ —	\$ —	\$ —	\$ (1,202,199)
Forward Currency Contracts	—	—	82,246	—	—	82,246
Futures Contracts	—	—	—	(68,554)	—	(68,554)
Written Options	1,694,138	—	—	—	—	1,694,138
Swap Contracts	6,458,883	—	—	(2,370,509)	—	4,088,374
Total	<u>\$ 6,950,822</u>	<u>\$ —</u>	<u>\$ 82,246</u>	<u>\$ (2,439,063)</u>	<u>\$ —</u>	<u>\$ 4,594,005</u>

[^] Because the Funds recognize changes in value through the Statements of Operations, they do not qualify for hedge accounting under authoritative guidance for derivative instruments. The Funds' investments in derivatives may represent an economic hedge; however, they are considered to be non-hedge transactions for the purpose of these tables.

[□] The table includes cumulative unrealized appreciation/depreciation of futures and value of cleared swap contracts, if any, as reported in the Schedule of Investments. Period end variation margin on open futures and cleared swap contracts, if any, is reported within the Statements of Assets and Liabilities.

Certain Funds are party to International Swaps and Derivatives Association, Inc. Master Agreements, Global Master Repurchase Agreements or other similar types of agreements (collectively, "Master Agreements") that generally govern the terms of OTC derivative transactions, repurchase agreements and reverse repurchase agreements. The Master Agreements may include collateral

GMO Trust Funds

Notes to Financial Statements — (Continued) August 31, 2020 (Unaudited)

posting terms and set-off provisions that apply in the event of a default and/or termination event. Upon the occurrence of such an event, including the bankruptcy or insolvency of the counterparty, the Master Agreements may permit the non-defaulting party to calculate a single net payment to close out applicable transactions. However, there is no guarantee that the terms of a Master Agreement will be enforceable; for example, when bankruptcy or insolvency laws impose restrictions on or prohibitions against the right of offset. Additionally, the set-off and netting provisions of a Master Agreement may not extend to the obligations of the counterparty's affiliates or across varying types of transactions. Because no such event has occurred, the Funds do not presently have a legally enforceable right of set-off and these amounts have not been offset in the Statements of Assets and Liabilities, but have been presented separately in the table below. Termination events may also include a decline in the net assets of a Fund below a certain level over a specified period of time and may entitle a counterparty to elect an early termination of all the transactions under the Master Agreement with that counterparty. Such an election by one or more of the counterparties could have a material adverse impact on a Fund's operations. An estimate of the aggregate net payment, if any, that may need to be paid by a Fund (or may be received by a Fund) in such an event is represented by the Net Amounts in the tables below. For more information about other uncertainties and risks, see "Investments and other risks" above.

For financial reporting purposes, in the Statements of Assets and Liabilities any cash collateral that has been pledged to cover obligations of the Funds is reported as Due from broker and any cash collateral received from the counterparty is reported as Due to broker. Any non-cash collateral pledged by the Funds is noted in the Schedules of Investments. The tables below show the potential effect of netting arrangements made available by the Master Agreements on the financial position of the Funds. For financial reporting purposes, the Funds' Statements of Assets and Liabilities generally show derivative assets and derivative liabilities (regardless of whether they are subject to netting arrangements) on a gross basis, which reflects the full risks and exposures of the Fund prior to netting. See Note 2 for information on repurchase agreements and reverse repurchase agreements held by the Funds at August 31, 2020, if any.

The tables above present the Funds' derivative assets and liabilities by type of financial instrument. The following tables present the Funds' OTC and/or exchange-traded derivative assets and liabilities by counterparty net of amounts that may be available for offset under the Master Agreements by the terms of the agreement and net of the related collateral received or pledged by the Funds as of August 31, 2020:

Emerging Country Debt Fund

Counterparty	Gross Derivative Assets Subject to Master Agreements	Collateral Received	Derivative Assets/(Liabilities) Available for Offset	Net Amount of Derivative Assets
Citibank N.A.	\$ 4,828,123	\$ (4,828,123)	\$ —	\$ —*
Deutsche Bank AG	8,544,486	—	8,544,486	—
Goldman Sachs International	6,561,895	(3,272,967)	(3,288,928)	—*
Total	<u>\$19,934,504</u>	<u>\$ (8,101,090)</u>	<u>\$ 5,255,558</u>	<u>\$ —</u>

Counterparty	Gross Derivative Liabilities Subject to Master Agreements	Collateral Pledged	Derivative (Assets)/Liabilities Available for Offset	Net Amount of Derivative Liabilities
Barclays Bank PLC	\$ 3,628,195	\$ (3,525,065)	\$ —	\$103,130
Deutsche Bank AG	10,233,030	(1,688,544)	(8,544,486)	—*
Goldman Sachs International	3,288,928	—	3,288,928	—
JPMorgan Chase Bank, N.A.	1,664,664	(1,549,216)	—	115,448
Morgan Stanley & Co. International PLC	4,434,200	(4,202,752)	—	231,448
Total	<u>\$23,249,017</u>	<u>\$(10,965,577)</u>	<u>\$(5,255,558)</u>	<u>\$450,026</u>

GMO Trust Funds

Notes to Financial Statements — (Continued) August 31, 2020 (Unaudited)

High Yield Fund

Counterparty	Gross Derivative Liabilities Subject to Master Agreements	Collateral Pledged	Derivative (Assets)/Liabilities Available for Offset	Net Amount of Derivative Liabilities
Deutsche Bank AG	\$ 202,247	\$ (181,921)	\$ —	\$ 20,326
Total	\$ 202,247	\$ (181,921)	\$ —	\$ 20,326

Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)

Counterparty	Gross Derivative Assets Subject to Master Agreements	Collateral Received	Derivative Assets/(Liabilities) Available for Offset	Net Amount of Derivative Assets
Bank of America, N.A.	\$ 56,976	\$ —	\$ —	\$ 56,976
Barclays Bank PLC	110,473	(33,655)	(76,818)	—*
Citibank N.A.	116,235	—	—	116,235
Deutsche Bank AG	165,246	—	165,246	—
Goldman Sachs International	31,596	—	—	31,596
JPMorgan Chase Bank, N.A.	1,863,174	(798,937)	(998,950)	65,287
Morgan Stanley & Co. International PLC	342,725	—	342,725	—
Total	\$ 2,686,425	\$ (832,592)	\$ (567,797)	\$ 270,094

Counterparty	Gross Derivative Liabilities Subject to Master Agreements	Collateral Pledged	Derivative (Assets)/Liabilities Available for Offset	Net Amount of Derivative Liabilities
Bank of America, N.A.	\$ 4,214	\$ (4,214)	\$ —	\$ —*
Barclays Bank PLC	76,818	—	76,818	—
Citibank N.A.	26,362	(26,362)	—	—*
Deutsche Bank AG	797,624	(632,378)	(165,246)	—*
JPMorgan Chase Bank, N.A.	998,950	—	998,950	—
Morgan Stanley & Co. International PLC	1,479,153	(1,136,428)	(342,725)	—*
Total	\$ 3,383,121	\$ (1,799,382)	\$ 567,797	\$ —

Opportunistic Income Fund

Counterparty	Gross Derivative Assets Subject to Master Agreements	Collateral Received	Derivative Assets/(Liabilities) Available for Offset	Net Amount of Derivative Assets
Bank of America, N.A.	\$ 1,622,023	\$ (1,392,809)	\$ (29,211)	\$200,003
Citibank N.A.	1,241,568	(560,000)	(678,155)	3,413
Citigroup Global Markets Inc.	2,513,783	(2,461,865)	(51,918)	—*
Credit Suisse International	123,693	(100,000)	—	23,693
Deutsche Bank AG	1,973,298	(1,640,000)	(172,441)	160,857
Goldman Sachs International	12,822,816	(11,497,500)	(1,325,316)	—*
JPMorgan Chase Bank, N.A.	3,940,039	(2,468,041)	(1,471,998)	—*
Morgan Stanley & Co. International PLC	116,495	—	116,495	—
Morgan Stanley Capital Services LLC	2,125,652	(2,014,440)	(111,212)	—*
Total	\$26,479,367	\$(22,134,655)	\$(3,723,756)	\$387,966

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Notes to Financial Statements — (Continued) August 31, 2020 (Unaudited)

Opportunistic Income Fund (continued)

Counterparty	Gross Derivative Liabilities Subject to Master Agreements	Collateral Pledged	Derivative (Assets)/Liabilities Available for Offset	Net Amount of Derivative Liabilities
Bank of America, N.A.	\$ 29,211	\$ —	\$ 29,211	\$ —
Barclays Bank PLC	738,955	(738,955)	—	—*
Citibank N.A.	678,155	—	678,155	—
Citigroup Global Markets Inc.	51,918	—	51,918	—
Deutsche Bank AG	172,441	—	172,441	—
Goldman Sachs International	1,325,316	—	1,325,316	—
JPMorgan Chase Bank, N.A.	1,471,998	—	1,471,998	—
Morgan Stanley & Co. International PLC	290,447	(173,952)	(116,495)	—*
Morgan Stanley Capital Services LLC	111,212	—	111,212	—
Total	<u>\$4,869,653</u>	<u>\$(912,907)</u>	<u>\$3,723,756</u>	<u>\$ —</u>

* The actual collateral received and/or pledged is more than the amount shown.

The average derivative activity of notional amounts (forward currency contracts, futures contracts and swap contracts) and principal amounts (options) outstanding, based on absolute values, at each month-end, was as follows for the period ended August 31, 2020:

Fund Name	Forward Currency Contracts (\$)	Futures Contracts (\$)	Options (Principal)	Swap Contracts (\$)
Emerging Country Debt Fund	222,648,250	—	251,543,000	801,805,604
High Yield Fund	36,396,358	15,997,456	—	65,599,026
Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)	393,404,618	114,960,076	1,773,830	461,897,078
Opportunistic Income Fund	7,047,490	11,519,914	66,070,421	715,692,222

5. Fees and other transactions with affiliates

GMO receives a management fee for the services it provides to each Fund. Management fees are paid monthly at the annual rate equal to the percentage of each Fund's average daily net assets set forth in the table below:

	Asset Allocation Bond Fund	Emerging Country Debt Fund	High Yield Fund	Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)	Opportunistic Income Fund	U.S. Treasury Fund
Management Fee	0.25%	0.35%	0.35%	0.25%	0.40% ^(a)	0.08% ^(b)

^(a) Prior to January 1, 2017, the management fee was 0.25%.

^(b) Prior to June 30, 2019, GMO voluntarily waived the Fund's entire management fee.

In addition, each class of shares of certain Funds 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

GMO Trust Funds

Notes to Financial Statements — (Continued) August 31, 2020 (Unaudited)

information. Shareholder service fees are paid monthly at the annual rate equal to the percentage of each applicable Class's average daily net assets set forth in the table below:

Fund Name	Class III	Class IV	Class V	Class VI	Class R6	Class I
Asset Allocation Bond Fund	0.15%			0.055%		
Emerging Country Debt Fund	0.15%	0.10%				
High Yield Fund	0.15%*	0.10%*	0.085%*	0.055%	0.15%*	0.15%*
Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)	0.15%	0.10%			0.15%*	0.15%*
Opportunistic Income Fund	0.15%*			0.055%	0.15%*	0.15%

* Class is offered but has no shareholders as of August 31, 2020.

For each Fund, other than Emerging Country Debt Fund and High Yield Fund, GMO has contractually agreed to reimburse each Fund for its "Specified Operating Expenses" (as defined below). Any such reimbursements are paid to a Fund concurrently with the Fund's payment of management fees to GMO. GMO has contractually agreed to reimburse High Yield Fund for the portion of its "Specified Operating Expenses" that exceeds 0.10% of the Fund's average daily net assets ("Expense Threshold Amount").

"Specified Operating Expenses" means: audit expenses, fund accounting expenses, pricing service expenses, expenses of non-investment related tax services, transfer agency expenses (excluding, in the case of Class I shares, any amounts paid for sub-transfer agency, recordkeeping and other administrative services provided by financial intermediaries with respect to Class I shareholders in respect of Class I shareholders), expenses of non-investment related legal services provided to the Funds by or at the direction of GMO, organizational and start-up expenses, federal securities law filing expenses, printing expenses, state and federal registration fees and custody expenses.

For High Yield Fund, GMO is permitted to recover from the Fund, on a class-by-class basis, as applicable, the "Specified Operating Expenses" GMO has borne or reimbursed (whether through reduction of its fees or otherwise) to the extent that the Fund's "Specified Operating Expenses" later fall below the Expense Threshold Amount or the lower expense limit in effect when GMO seeks to recover the expenses. The Fund, however, is not obligated to pay any such amount more than three years after GMO bore or reimbursed an expense. The amount GMO is entitled to recover may not cause a Fund to exceed the Expense Threshold Amount or the lower expense limit in effect when GMO seeks recovery.

For the period ended August 31, 2020, GMO recouped the following previously recorded waivers and/or reimbursements.

	Recoupment Amount (\$)
High Yield Fund, Class VI	7,278

On August 31, 2020, the waivers and/or reimbursements subject to possible future recoupment are as follows:

	Expiring the year ending February 28, 2021	Expiring the year ending February 28, 2022	Expiring the year ending February 28, 2023
High Yield Fund, Class VI	\$ —	\$85,249	\$ —

GMO has contractually agreed to waive or reduce the Fund's management fee and shareholder service fee to the extent necessary to offset the management fee and shareholder service fee 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.

GMO Trust Funds

Notes to Financial Statements — (Continued) August 31, 2020 (Unaudited)

These contractual waivers and reimbursements will continue through at least June 30, 2021 for each Fund unless the Funds' Board of Trustees authorizes their modification or termination or reduces the fee rates paid to GMO under the Fund's management contract or servicing and supplemental support agreement.

GMO has contractually agreed to reimburse Class I assets of each Fund (or waive its fees) to the extent that payments for sub-transfer agency, recordkeeping and other administrative services provided by financial intermediaries from Class I assets exceed 0.10% of such Fund's average daily net assets attributable to Class I assets.

Sub-Transfer Agent/Recordkeeping Payments

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 with respect to shareholders of these classes. Any such payments are made by GMO out of its own resources and are not an additional charge to a Fund or the holders of Class III, IV, V, VI, or Class R6 shares. These payments may create a conflict of interest by influencing a financial intermediary to recommend a Fund over another investment.

Class I shares are subject to payments for sub-transfer agency, recordkeeping and other administrative services provided by financial intermediaries with respect to 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 with respect to shareholders of Class I shares. Any such payments are made by GMO out of its own resources and are not an additional charge to a Fund or the holders of Class I shares. These payments create a conflict of interest by influencing a financial intermediary to recommend a Fund over another investment.

The Funds' portion of the fees paid by the Trust to the Trust's independent Trustees and their legal counsel and any agents unaffiliated with GMO during the period ended August 31, 2020 is shown in the table below and is included in the Statements of Operations.

Fund Name	Independent Trustees and their legal counsel (\$)	Agent unaffiliated with GMO (\$)
Asset Allocation Bond Fund	3,274	350
Emerging Country Debt Fund	67,344	6,962
High Yield Fund	2,445	237
Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)	7,575	754
Opportunistic Income Fund	12,926	1,343
U.S. Treasury Fund	4,732	387

Certain Funds incur fees and expenses indirectly as a shareholder in the underlying funds. For the six month period ended August 31, 2020, the Funds below had indirect fees and expenses greater than 0.01% of the Fund's average daily net assets.

Fund Name	Total Indirect Expenses
Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)	0.122%

The Funds are permitted to purchase or sell securities from or to certain other GMO funds under specified conditions outlined in procedures adopted by the Trustees. The procedures have been designed to ensure that any purchase or sale of securities by a Fund from another fund or portfolio that is or could be considered an affiliate by virtue of having a common investment adviser (or affiliated investment advisers), common Trustees and/or common officers complies with Rule 17a-7 of the 1940 Act. Further, as defined under the procedures, each transaction is effectuated at the current market price. During the period ended August 31, 2020, the Funds did not engage in these transactions.

GMO Trust Funds

Notes to Financial Statements — (Continued) August 31, 2020 (Unaudited)

6. Purchases and sales of securities

Cost of purchases and proceeds from sales of securities, excluding short-term investments and including GMO U.S. Treasury Fund, if applicable, for the period ended August 31, 2020 are noted in the table below:

Fund Name	Purchases (\$)	Purchases (\$)	Sales (\$)	Sales (\$)
	U.S. Government Securities	Investments (Non-U.S. Government Securities)	U.S. Government Securities	Investments (Non-U.S. Government Securities)
Asset Allocation Bond Fund	30,674,749	11,341,713	119,119,258	14,180,000
Emerging Country Debt Fund	225,132,629	1,115,096,564	615,035,135	527,319,513
High Yield Fund	50,315,517	214,883,089	50,529,533	197,463,507
Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)	362,808,486	200,925,089	456,861,785	271,036,160
Opportunistic Income Fund	—	118,621,702	24,625,107	149,868,982
U.S. Treasury Fund	—	—	—	—

7. Guarantees

In the normal course of business the Funds enter into contracts with third-party service providers that contain a variety of representations and warranties and that provide general indemnifications. The Funds' maximum exposure under these arrangements is unknown, as it involves possible future claims that may or may not be made against the Funds. Based on experience, GMO is of the view that the risk of loss to the Funds in connection with the Funds' indemnification obligations is remote; however, there can be no assurance that such obligations will not result in material liabilities that adversely affect the Funds.

8. Principal shareholders and related parties as of August 31, 2020

Fund Name	Number of shareholders that held more than 10% of the outstanding shares of the Fund	Percentage of outstanding shares of the Fund held by those shareholders owning greater than 10% of the outstanding shares of the Fund	Percentage of the shares of the Fund held by senior management of GMO and GMO Trust officers	Percentage of the Fund's shares held by accounts for which GMO has investment discretion
Asset Allocation Bond Fund	3‡	88.20%	<0.01%	99.97%
Emerging Country Debt Fund	1	10.17%	0.13%	14.85%
High Yield Fund	3‡	99.94%	0.05%	99.94%
Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)	2#	65.11%	0.01%	93.80%
Opportunistic Income Fund	3#	72.36%	0.49%	79.61%
U.S. Treasury Fund	3‡	51.83%	3.66%	67.80%

‡ One of the shareholders is another fund of the Trust.

Two of the shareholders are other funds of the Trust.

GMO Trust Funds

Notes to Financial Statements — (Continued) August 31, 2020 (Unaudited)

9. Share transactions

The Declaration of Trust permits each Fund to issue an unlimited number of shares of beneficial interest (without par value). Transactions in the Funds' shares were as follows:

	Six Months Ended August 31, 2020 (Unaudited)		Year Ended February 29, 2020	
	Shares	Amount	Shares	Amount
Asset Allocation Bond Fund				
Class III:				
Shares sold	69,213	\$ 1,589,816	110,325	\$ 2,474,600
Shares issued to shareholders in reinvestment of distributions	3,103	72,392	126,900	2,798,964
Shares repurchased	(400,686)	(8,894,076)	(2,253,855)	(50,054,998)
Net increase (decrease)	<u>(328,370)</u>	<u>\$ (7,231,868)</u>	<u>(2,016,630)</u>	<u>\$ (44,781,434)</u>
Class VI:				
Shares sold	384,442	\$ 8,853,053	202,925	\$ 4,483,781
Shares issued to shareholders in reinvestment of distributions	8,263	193,346	414,203	9,160,744
Shares repurchased	(4,161,410)	(94,097,006)	(6,261,332)	(140,077,926)
Net increase (decrease)	<u>(3,768,705)</u>	<u>\$ (85,050,607)</u>	<u>(5,644,204)</u>	<u>\$ (126,433,401)</u>
Emerging Country Debt Fund				
Class III:				
Shares sold	3,405,778	\$ 83,432,956	7,880,299	\$ 217,000,478
Shares issued to shareholders in reinvestment of distributions	1,118,039	28,521,163	2,957,296	79,423,521
Shares repurchased	(1,619,469)	(42,960,087)	(17,701,435)	(490,147,602)
Purchase premiums	—	473,308	—	446,109
Redemption fees	—	204,217	—	739,018
Net increase (decrease)	<u>2,904,348</u>	<u>\$ 69,671,557</u>	<u>(6,863,840)</u>	<u>\$ (192,538,476)</u>
Class IV:				
Shares sold	9,388,512	\$ 241,628,831	19,712,189	\$ 544,492,697
Shares issued to shareholders in reinvestment of distributions	2,973,816	75,743,088	5,991,783	160,731,422
Shares repurchased	(8,696,510)	(217,497,936)	(14,371,734)	(394,762,711)
Purchase premiums	—	1,333,546	—	993,428
Redemption fees	—	577,762	—	1,612,037
Net increase (decrease)	<u>3,665,818</u>	<u>\$ 101,785,291</u>	<u>11,332,238</u>	<u>\$ 313,066,873</u>
High Yield Fund				
Class VI:				
Shares sold	1,855,180	\$ 35,072,764	98,276	\$ 2,056,846
Shares issued to shareholders in reinvestment of distributions	67,876	1,296,439	820,617	16,679,907
Shares repurchased	(1,756,894)	(34,400,000)	(3,348,294)	(68,220,577)
Net increase (decrease)	<u>166,162</u>	<u>\$ 1,969,203</u>	<u>(2,429,401)</u>	<u>\$ (49,483,824)</u>
Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)				
Class III:				
Shares sold	454,165	\$ 10,140,846	171,785	\$ 3,857,759
Shares issued to shareholders in reinvestment of distributions	116,286	2,551,326	197,461	4,223,692
Shares repurchased	(510,930)	(11,293,692)	(765,786)	(17,018,076)
Net increase (decrease)	<u>59,521</u>	<u>\$ 1,398,480</u>	<u>(396,540)</u>	<u>\$ (8,936,625)</u>

GMO Trust Funds

Notes to Financial Statements — (Continued) August 31, 2020 (Unaudited)

	Six Months Ended August 31, 2020 (Unaudited)		Year Ended February 29, 2020	
	Shares	Amount	Shares	Amount
Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund) (continued)				
Class IV:				
Shares sold	910,569	\$ 20,098,246	360,886	\$ 7,771,423
Shares issued to shareholders in reinvestment of distributions	381,197	8,393,955	1,233,567	26,460,017
Shares repurchased	(8,812,567)	(196,144,244)	(9,111,663)	(200,655,846)
Net increase (decrease)	<u>(7,520,801)</u>	<u>\$ (167,652,043)</u>	<u>(7,517,210)</u>	<u>\$ (166,424,406)</u>
Opportunistic Income Fund				
Class VI:				
Shares sold	1,458,047	\$ 37,400,430	702,105	\$ 18,486,845
Shares issued to shareholders in reinvestment of distributions	249,677	6,366,770	1,589,564	41,113,159
Shares repurchased	(6,547,641)	(167,188,271)	(8,905,218)	(235,744,022)
Purchase premiums	—	—	—	69,702
Redemption fees	—	—	—	251,056
Net increase (decrease)	<u>(4,839,917)</u>	<u>\$ (123,421,071)</u>	<u>(6,613,549)</u>	<u>\$ (175,823,260)</u>
Class I:*				
Shares sold	5,828,054	148,979,080	880,843	22,880,307
Shares issued to shareholders in reinvestment of distributions	10,318	262,810	9,193	236,179
Shares repurchased	(273,950)	(6,689,899)	(21,627)	(555,796)
Net increase (decrease)	<u>5,564,422</u>	<u>\$ 142,551,991</u>	<u>868,409</u>	<u>\$ 22,560,690</u>
U.S. Treasury Fund				
Core Class:				
Shares sold	233,358,882	\$1,175,253,157	785,807,533	\$ 3,930,131,346
Shares issued to shareholders in reinvestment of distributions	38,409	193,486	1,061,376	5,309,001
Shares repurchased	(196,773,285)	(990,975,796)	(869,725,175)	(4,350,339,593)
Net increase (decrease)	<u>36,624,006</u>	<u>\$ 184,470,847</u>	<u>(82,856,266)</u>	<u>\$ (414,899,246)</u>

* The period under the heading “Year Ended February 29, 2020” represents the period from November 5, 2019 (commencement of operations) through February 29, 2020.

10. Investments in affiliated companies and other Funds of the Trust

An affiliated company for the purposes of this disclosure is a company in which a Fund has or had direct ownership of at least 5% of the issuer’s voting securities or an investment in other funds of GMO Trust. A summary of the Funds’ transactions involving companies that are or were affiliates during the period ended August 31, 2020 is set forth below:

Affiliate	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income*	Distributions of Realized Gains*	Net Realized Gain (Loss)	Net Increase/ Decrease in Unrealized Appreciation/ Depreciation	Value, end of period
Asset Allocation Bond Fund								
GMO U.S. Treasury Fund	<u>\$ 8,656,379</u>	<u>\$11,341,713</u>	<u>\$14,180,000</u>	<u>\$ 11,957</u>	<u>\$—</u>	<u>\$58,744</u>	<u>\$(19,006)</u>	<u>\$ 5,857,830</u>
Emerging Country Debt Fund								
GMO U.S. Treasury Fund	<u>\$74,487,484</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$115,761</u>	<u>\$—</u>	<u>\$ —</u>	<u>\$296,763</u>	<u>\$74,784,247</u>

GMO Trust Funds

Notes to Financial Statements — (Continued) August 31, 2020 (Unaudited)

Affiliate	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income*	Distributions of Realized Gains*	Net Realized Gain (Loss)	Net Increase/ Decrease in Unrealized Appreciation/ Depreciation	Value, end of period
High Yield Fund								
GMO U.S. Treasury Fund	\$ 385,180	\$ 28,755,749	\$ 29,171,591	\$ 7,267	\$ —	\$ 30,662	\$ —	\$ —
Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)								
GMO Emerging Country Debt Fund, Class IV	\$ 29,316,657	\$ —	\$ 9,500,000	\$ 285,841	\$ 220,820	\$(1,146,052)	\$ 216,593	\$ 18,887,198
GMO Opportunistic Income Fund, Class VI	108,395,452	—	34,000,000	780,716	—	(176,931)	(957,371)	73,261,150
GMO U.S. Treasury Fund	4,517,130	171,600,000	164,790,000	22,949	—	52,340	(4,018)	11,375,452
Totals	\$142,229,239	\$171,600,000	\$208,290,000	\$1,089,506	\$220,820	\$(1,270,643)	\$(744,796)	\$103,523,800
Opportunistic Income Fund								
GMO U.S. Treasury Fund	\$ 10,256,103	\$ 18,500,000	\$ 17,773,000	\$ 8,083	\$ —	\$ 61,299	\$ (40,861)	\$ 11,003,541

* The table above includes estimated sources of all distributions paid by the underlying funds during the period March 1, 2020 through August 31, 2020. The actual tax characterization of distributions paid by the underlying funds will be determined at the end of the fiscal year ending February 28, 2021.

GMO Trust Funds

Board Review of Investment Management Agreements August 31, 2020 (Unaudited)

GMO Asset Allocation Bond Fund

Approval of renewal of management agreement for GMO Asset Allocation Bond Fund (the “Fund”). At a meeting on June 4, 2020, the Trustees of GMO Trust (the “Trust”) approved the renewal for an additional twelve-month period beginning on June 30, 2020 of the management agreements between Grantham, Mayo, Van Otterloo & Co. LLC (“GMO”) and the Trust, on behalf of the Fund and the other series of the Trust (collectively, the “GMO funds”).

Throughout the year the Trustees considered information relevant to the renewal of the Fund’s management agreement, meeting both privately and with representatives of GMO. In deciding whether to approve the management agreement, the Trustees also considered information the Trustees who are not “interested persons” of the Trust (the “Independent Trustees”) requested specifically for that purpose.

At a meeting on May 14, 2020, the Trustees discussed at length with representatives of GMO the investment performance of the Fund and the other GMO funds. Following that meeting the Independent Trustees, their independent legal counsel and their independent compliance consultant met privately to discuss the extensive materials GMO had provided them at their request. At that meeting, the Independent Trustees instructed their independent legal counsel to request additional information from GMO, which they received before and at a meeting of the Trustees on June 4, 2020. At the June meeting, representatives of GMO answered the Trustees’ questions, and the Independent Trustees then met privately once again with their independent legal counsel.

Using various metrics, the Trustees considered the Fund’s investment performance, as well as the performance of the other GMO funds whose investments were managed by the investment division of GMO that advises the Fund. The Trustees discussed how a fund pursuing similar investment strategies to those of the Fund might be expected to perform under various market conditions and considered whether the Fund had performed in accordance with those expectations. The Trustees noted that the Fund is not currently offered as a standalone investment and the investment strategies it pursues are intended to complement the investment strategies of other GMO funds or accounts. In addition, the Trustees considered the Fund’s performance in light of various risk and performance measures and as compared to the performance of non-GMO funds and accounts in peer groups selected by third-party data services.

The Trustees considered the Fund’s expense ratio (*i.e.*, annual operating expenses per share as a percentage of average annual net asset value per share) as compared to the expense ratios of non-GMO funds in a peer group selected by a third-party data service. In considering the Fund’s expense ratio, the Trustees took into account GMO’s undertaking to reimburse a portion of the Fund’s operating expenses.

The Trustees also considered the fees payable to GMO under the Fund’s management and shareholder servicing and supplemental support agreements. The Trustees reviewed information comparing the management fee payable by the Fund to the management fees of non-GMO funds in a peer group selected by a third-party data service. The Trustees also considered the shareholder servicing fees charged by GMO to different share classes of the Fund in light of the services provided to each class by GMO.

The Trustees also considered the non-investment management services GMO provides to the Fund, including but not limited to valuation, legal and compliance, accounting, operational and technology services. The Trustees also considered the effects of the COVID-19 pandemic on various aspects of GMO’s operations, including portfolio management, marketing, distribution and data security, and expressed overall satisfaction with the way GMO’s business continuity plan had facilitated the continuation of operations during the pandemic.

The Trustees also reviewed information provided to them by GMO regarding its profits from managing the Fund and the Trust overall. The Trustees reviewed GMO’s methodology in preparing that information and considered the results of different approaches to calculating profitability. The Trustees took note of “fallout benefits” realized by GMO from its management of the Fund and the other GMO funds. The Trustees noted in particular that some GMO funds in which the Fund may invest (“underlying GMO funds”) do not pay any management fees. The Trustees also noted that, with respect to all other underlying GMO funds, GMO offsets against the fees the Fund pays GMO the management fees, shareholder servicing fees and most other expenses borne by those other underlying GMO funds.

The Trustees considered possible economies of scale to GMO at the Fund’s recent asset levels and whether the fees payable by the Fund to GMO reflected these economies of scale. The Trustees observed that the Fund’s management fee did not have any breakpoints and considered the extent to which breakpoints were embedded in that fee.

GMO Trust Funds

Board Review of Investment Management Agreements — (Continued) August 31, 2020 (Unaudited)

The Trustees also considered the experience and sophistication of GMO and its personnel (including, among others, management and investment management personnel and legal, compliance, and risk-management personnel), noting personnel changes made during the past year and earlier. The Trustees also considered the resources GMO employed in managing the Fund, GMO's organization, its reputation and relationship with Fund shareholders, its risk management policies, and other matters relating to GMO and the nature and quality of its services to the Fund.

After reviewing these and other factors, the Trustees concluded that the nature, extent and quality of GMO's services to the Fund supported their approval of the Fund's management agreement and that the fee charged under that agreement was reasonable.

In their deliberations, the Trustees considered the factors they individually deemed relevant, with each Trustee weighting specific factors as he thought appropriate. Following their deliberations, the Independent Trustees voting separately, and then all Trustees voting together, approved the renewal of the Fund's management agreement for another year.

GMO Emerging Country Debt Fund

Approval of renewal of management agreement for GMO Emerging Country Debt Fund (the "Fund"). At a meeting on June 4, 2020, the Trustees of GMO Trust (the "Trust") approved the renewal for an additional twelve-month period beginning on June 30, 2020 of the management agreements between Grantham, Mayo, Van Otterloo & Co. LLC ("GMO") and the Trust, on behalf of the Fund and the other series of the Trust (collectively, the "GMO funds").

Throughout the year the Trustees considered information relevant to the renewal of the Fund's management agreement, meeting both privately and with representatives of GMO. In deciding whether to approve the management agreement, the Trustees also considered information the Trustees who are not "interested persons" of the Trust (the "Independent Trustees") requested specifically for that purpose.

At a meeting on May 14, 2020, the Trustees discussed at length with representatives of GMO the investment performance of the Fund and the other GMO funds. Following that meeting the Independent Trustees, their independent legal counsel and their independent compliance consultant met privately to discuss the extensive materials GMO had provided them at their request. At that meeting, the Independent Trustees instructed their independent legal counsel to request additional information from GMO, which they received before and at a meeting of the Trustees on June 4, 2020. At the June meeting, representatives of GMO answered the Trustees' questions, and the Independent Trustees then met privately once again with their independent legal counsel.

Using various metrics, the Trustees considered the Fund's investment performance. The Trustees discussed how a fund pursuing similar investment strategies to those of the Fund might be expected to perform under various market conditions and considered whether the Fund had performed in accordance with those expectations. In addition, the Trustees considered the Fund's performance in light of various risk and performance measures and as compared to the performance of a composite of accounts with similar objectives managed by GMO and the performance of non-GMO funds and accounts in peer groups selected by third-party data services.

The Trustees considered the Fund's expense ratio (*i.e.*, annual operating expenses per share as a percentage of average annual net asset value per share) as compared to the expense ratios of non-GMO funds in a peer group selected by a third-party data service.

The Trustees also considered the fees payable to GMO under the Fund's management and shareholder servicing and supplemental support agreements. The Trustees reviewed information comparing the management fee payable by the Fund to the management fees of non-GMO funds in a peer group selected by a third-party data service. The Trustees also considered the shareholder servicing fees charged by GMO to different share classes of the Fund in light of the services provided to each class by GMO.

The Trustees also considered the non-investment management services GMO provides to the Fund, including but not limited to valuation, legal and compliance, accounting, operational and technology services. The Trustees also considered the effects of the COVID-19 pandemic on various aspects of GMO's operations, including portfolio management, marketing, distribution and data security, and expressed overall satisfaction with the way GMO's business continuity plan had facilitated the continuation of operations during the pandemic.

The Trustees also reviewed information provided to them by GMO regarding its profits from managing the Fund and the Trust overall. The Trustees reviewed GMO's methodology in preparing that information and considered the results of different approaches

GMO Trust Funds

Board Review of Investment Management Agreements — (Continued)

August 31, 2020 (Unaudited)

to calculating profitability. The Trustees took note of “fallout benefits” realized by GMO from its management of the Fund and the other GMO funds. The Trustees noted in particular that some GMO funds in which the Fund may invest (“underlying GMO funds”) do not pay any management fees. The Trustees also noted that, with respect to all other underlying GMO funds, GMO offsets against the fees the Fund pays GMO the management fees, shareholder servicing fees and most other expenses borne by those other underlying GMO funds.

The Trustees considered possible economies of scale to GMO at the Fund’s recent asset levels and whether the fees payable by the Fund to GMO reflected these economies of scale. The Trustees observed that the Fund’s management fee did not have any breakpoints and considered the extent to which breakpoints were embedded in that fee.

The Trustees also considered the experience and sophistication of GMO and its personnel (including, among others, management and investment management personnel and legal, compliance, and risk-management personnel), noting personnel changes made during the past year and earlier. The Trustees also considered the resources GMO employed in managing the Fund, GMO’s organization, its reputation and relationship with Fund shareholders, its risk management policies, and other matters relating to GMO and the nature and quality of its services to the Fund.

After reviewing these and other factors, the Trustees concluded that the nature, extent and quality of GMO’s services to the Fund supported their approval of the Fund’s management agreement and that the fee charged under that agreement was reasonable.

In their deliberations, the Trustees considered the factors they individually deemed relevant, with each Trustee weighting specific factors as he thought appropriate. Following their deliberations, the Independent Trustees voting separately, and then all Trustees voting together, approved the renewal of the Fund’s management agreement for another year.

GMO High Yield Fund

Approval of renewal of management agreement for GMO High Yield Fund (the “Fund”). At a meeting on June 4, 2020, the Trustees of GMO Trust (the “Trust”) approved the renewal for an additional twelve-month period beginning on June 30, 2020 of the management agreements between Grantham, Mayo, Van Otterloo & Co. LLC (“GMO”) and the Trust, on behalf of the Fund and the other series of the Trust (collectively, the “GMO funds”).

Throughout the year the Trustees considered information relevant to the renewal of the Fund’s management agreement, meeting both privately and with representatives of GMO. In deciding whether to approve the management agreement, the Trustees also considered information the Trustees who are not “interested persons” of the Trust (the “Independent Trustees”) requested specifically for that purpose.

At a meeting on May 14, 2020, the Trustees discussed at length with representatives of GMO the investment performance of the Fund and the other GMO funds. Following that meeting the Independent Trustees, their independent legal counsel and their independent compliance consultant met privately to discuss the extensive materials GMO had provided them at their request. At that meeting, the Independent Trustees instructed their independent legal counsel to request additional information from GMO, which they received before and at a meeting of the Trustees on June 4, 2020. At the June meeting, representatives of GMO answered the Trustees’ questions, and the Independent Trustees then met privately once again with their independent legal counsel.

Using various metrics, the Trustees considered the Fund’s investment performance, as well as the performance of the other GMO fund whose investments were managed by the investment division of GMO that advises the Fund. The Trustees discussed how a fund pursuing similar investment strategies to those of the Fund might be expected to perform under various market conditions and considered whether the Fund had performed in accordance with those expectations. In addition, the Trustees considered the Fund’s performance in light of various risk and performance measures and as compared to the performance of non-GMO funds and accounts in peer groups selected by third-party data services.

The Trustees considered the Fund’s expense ratio (*i.e.*, annual operating expenses per share as a percentage of average annual net asset value per share) as compared to the expense ratios of non-GMO funds in a peer group selected by a third-party data service. In considering the Fund’s expense ratio, the Trustees took into account GMO’s undertaking to reimburse a portion of the Fund’s operating expenses.

GMO Trust Funds

Board Review of Investment Management Agreements — (Continued)

August 31, 2020 (Unaudited)

The Trustees also considered the fees payable to GMO under the Fund’s management and shareholder servicing and supplemental support agreements. The Trustees reviewed information comparing the management fee payable by the Fund to the management fees of non-GMO funds in a peer group selected by a third-party data service. The Trustees also considered the shareholder servicing fees charged by GMO to different share classes of the Fund in light of the services provided to each class by GMO.

The Trustees also considered the non-investment management services GMO provides to the Fund, including but not limited to valuation, legal and compliance, accounting, operational and technology services. The Trustees also considered the effects of the COVID-19 pandemic on various aspects of GMO’s operations, including portfolio management, marketing, distribution and data security, and expressed overall satisfaction with the way GMO’s business continuity plan had facilitated the continuation of operations during the pandemic.

The Trustees also reviewed information provided to them by GMO regarding its profits from managing the Fund and the Trust overall. The Trustees reviewed GMO’s methodology in preparing that information and considered the results of different approaches to calculating profitability. The Trustees took note of “fallout benefits” realized by GMO from its management of the Fund and the other GMO funds.

The Trustees considered possible economies of scale to GMO at the Fund’s recent asset levels and whether the fees payable by the Fund to GMO reflected these economies of scale. The Trustees observed that the Fund’s management fee did not have any breakpoints and considered the extent to which breakpoints were embedded in that fee.

The Trustees also considered the experience and sophistication of GMO and its personnel (including, among others, management and investment management personnel and legal, compliance, and risk-management personnel), noting personnel changes made during the past year and earlier. The Trustees also considered the resources GMO employed in managing the Fund, GMO’s organization, its reputation and relationship with Fund shareholders, its risk management policies, and other matters relating to GMO and the nature and quality of its services to the Fund.

After reviewing these and other factors, the Trustees concluded that the nature, extent and quality of GMO’s services to the Fund supported their approval of the Fund’s management agreement and that the fee charged under that agreement was reasonable.

In their deliberations, the Trustees considered the factors they individually deemed relevant, with each Trustee weighting specific factors as he thought appropriate. Following their deliberations, the Independent Trustees voting separately, and then all Trustees voting together, approved the renewal of the Fund’s management agreement for another year.

GMO Multi-Sector Fixed Income Fund

Approval of renewal of management agreement for GMO Multi-Sector Fixed Income Fund (formerly, GMO Core Plus Bond Fund) (the “Fund”). At a meeting on June 4, 2020, the Trustees of GMO Trust (the “Trust”) approved the renewal for an additional twelve-month period beginning on June 30, 2020 of the management agreements between Grantham, Mayo, Van Otterloo & Co. LLC (“GMO”) and the Trust, on behalf of the Fund and the other series of the Trust (collectively, the “GMO funds”).

Throughout the year the Trustees considered information relevant to the renewal of the Fund’s management agreement, meeting both privately and with representatives of GMO. In deciding whether to approve the management agreement, the Trustees also considered information the Trustees who are not “interested persons” of the Trust (the “Independent Trustees”) requested specifically for that purpose.

At a meeting on May 14, 2020, the Trustees discussed at length with representatives of GMO the investment performance of the Fund and the other GMO funds. Following that meeting the Independent Trustees, their independent legal counsel and their independent compliance consultant met privately to discuss the extensive materials GMO had provided them at their request. At that meeting, the Independent Trustees instructed their independent legal counsel to request additional information from GMO, which they received before and at a meeting of the Trustees on June 4, 2020. At the June meeting, representatives of GMO answered the Trustees’ questions, and the Independent Trustees then met privately once again with their independent legal counsel.

Using various metrics, the Trustees considered the Fund’s investment performance. The Trustees discussed how a fund pursuing similar investment strategies to those of the Fund might be expected to perform under various market conditions and considered whether the Fund had performed in accordance with those expectations. In addition, the Trustees considered the Fund’s performance

GMO Trust Funds

Board Review of Investment Management Agreements — (Continued) August 31, 2020 (Unaudited)

in light of various risk and performance measures and as compared to the performance of non-GMO funds and accounts in peer groups selected by third-party data services.

The Trustees considered the Fund's expense ratio (*i.e.*, annual operating expenses per share as a percentage of average annual net asset value per share) as compared to the expense ratios of non-GMO funds in a peer group selected by a third-party data service. In considering the Fund's expense ratio, the Trustees took into account GMO's undertaking to reimburse a portion of the Fund's operating expenses.

The Trustees also considered the fees payable to GMO under the Fund's management and shareholder servicing and supplemental support agreements. The Trustees reviewed information comparing the management fee payable by the Fund to the management fees of non-GMO funds in a peer group selected by a third-party data service. The Trustees also considered the shareholder servicing fees charged by GMO to different share classes of the Fund in light of the services provided to each class by GMO.

The Trustees also considered the non-investment management services GMO provides to the Fund, including but not limited to valuation, legal and compliance, accounting, operational and technology services. The Trustees also considered the effects of the COVID-19 pandemic on various aspects of GMO's operations, including portfolio management, marketing, distribution and data security, and expressed overall satisfaction with the way GMO's business continuity plan had facilitated the continuation of operations during the pandemic.

The Trustees also reviewed information provided to them by GMO regarding its profits from managing the Fund and the Trust overall. The Trustees reviewed GMO's methodology in preparing that information and considered the results of different approaches to calculating profitability. The Trustees took note of "fallout benefits" realized by GMO from its management of the Fund and the other GMO funds. The Trustees noted in particular that some GMO funds in which the Fund may invest ("underlying GMO funds") do not pay any management fees. The Trustees also noted that, with respect to all other underlying GMO funds, GMO offsets against the fees the Fund pays GMO the management fees, shareholder servicing fees and most other expenses borne by those other underlying GMO funds.

The Trustees considered possible economies of scale to GMO at the Fund's recent asset levels and whether the fees payable by the Fund to GMO reflected these economies of scale. The Trustees observed that the Fund's management fee did not have any breakpoints and considered the extent to which breakpoints were embedded in that fee.

The Trustees also considered the experience and sophistication of GMO and its personnel (including, among others, management and investment management personnel and legal, compliance, and risk-management personnel), noting personnel changes made during the past year and earlier. The Trustees also considered the resources GMO employed in managing the Fund, GMO's organization, its reputation and relationship with Fund shareholders, its risk management policies, and other matters relating to GMO and the nature and quality of its services to the Fund.

After reviewing these and other factors, the Trustees concluded that the nature, extent and quality of GMO's services to the Fund supported their approval of the Fund's management agreement and that the fee charged under that agreement was reasonable.

In their deliberations, the Trustees considered the factors they individually deemed relevant, with each Trustee weighting specific factors as he thought appropriate. Following their deliberations, the Independent Trustees voting separately, and then all Trustees voting together, approved the renewal of the Fund's management agreement for another year.

GMO Opportunistic Income Fund

Approval of renewal of management agreement for GMO Opportunistic Income Fund (the "Fund"). At a meeting on June 4, 2020, the Trustees of GMO Trust (the "Trust") approved the renewal for an additional twelve-month period beginning on June 30, 2020 of the management agreements between Grantham, Mayo, Van Otterloo & Co. LLC ("GMO") and the Trust, on behalf of the Fund and the other series of the Trust (collectively, the "GMO funds").

Throughout the year the Trustees considered information relevant to the renewal of the Fund's management agreement, meeting both privately and with representatives of GMO. In deciding whether to approve the management agreement, the Trustees also considered information the Trustees who are not "interested persons" of the Trust (the "Independent Trustees") requested specifically for that purpose.

GMO Trust Funds

Board Review of Investment Management Agreements — (Continued)

August 31, 2020 (Unaudited)

At a meeting on May 14, 2020, the Trustees discussed at length with representatives of GMO the investment performance of the Fund and the other GMO funds. Following that meeting the Independent Trustees, their independent legal counsel and their independent compliance consultant met privately to discuss the extensive materials GMO had provided them at their request. At that meeting, the Independent Trustees instructed their independent legal counsel to request additional information from GMO, which they received before and at a meeting of the Trustees on June 4, 2020. At the June meeting, representatives of GMO answered the Trustees' questions, and the Independent Trustees then met privately once again with their independent legal counsel.

Using various metrics, the Trustees considered the Fund's investment performance, as well as the performance of the other GMO fund whose investments were managed by the investment division of GMO that advises the Fund. The Trustees discussed how a fund pursuing similar investment strategies to those of the Fund might be expected to perform under various market conditions and considered whether the Fund had performed in accordance with those expectations. In addition, the Trustees considered the Fund's performance in light of various risk and performance measures and as compared to the performance of non-GMO funds and accounts in peer groups selected by third-party data services.

The Trustees considered the Fund's expense ratio (*i.e.*, annual operating expenses per share as a percentage of average annual net asset value per share) as compared to the expense ratios of non-GMO funds in a peer group selected by a third-party data service. In considering the Fund's expense ratio, the Trustees took into account GMO's undertaking to reimburse a portion of the Fund's operating expenses.

The Trustees also considered the fees payable to GMO under the Fund's management and shareholder servicing and supplemental support agreements. The Trustees reviewed information comparing the management fee payable by the Fund to the management fees of non-GMO funds in a peer group selected by a third-party data service. The Trustees also considered the shareholder servicing fees charged by GMO to different share classes of the Fund in light of the services provided to each class by GMO.

The Trustees also considered the non-investment management services GMO provides to the Fund, including but not limited to valuation, legal and compliance, accounting, operational and technology services. The Trustees also considered the effects of the COVID-19 pandemic on various aspects of GMO's operations, including portfolio management, marketing, distribution and data security, and expressed overall satisfaction with the way GMO's business continuity plan had facilitated the continuation of operations during the pandemic.

The Trustees also reviewed information provided to them by GMO regarding its profits from managing the Fund and the Trust overall. The Trustees reviewed GMO's methodology in preparing that information and considered the results of different approaches to calculating profitability. The Trustees took note of "fallout benefits" realized by GMO from its management of the Fund and the other GMO funds. The Trustees noted in particular that some GMO funds in which the Fund may invest ("underlying GMO funds") do not pay any management fees. The Trustees also noted that, with respect to all other underlying GMO funds, GMO offsets against the fees the Fund pays GMO the management fees, shareholder servicing fees and most other expenses borne by those other underlying GMO funds.

The Trustees considered possible economies of scale to GMO at the Fund's recent asset levels and whether the fees payable by the Fund to GMO reflected these economies of scale. The Trustees observed that the Fund's management fee did not have any breakpoints and considered the extent to which breakpoints were embedded in that fee.

The Trustees also considered the experience and sophistication of GMO and its personnel (including, among others, management and investment management personnel and legal, compliance, and risk-management personnel), noting personnel changes made during the past year and earlier. The Trustees also considered the resources GMO employed in managing the Fund, GMO's organization, its reputation and relationship with Fund shareholders, its risk management policies, and other matters relating to GMO and the nature and quality of its services to the Fund.

After reviewing these and other factors, the Trustees concluded that the nature, extent and quality of GMO's services to the Fund supported their approval of the Fund's management agreement and that the fee charged under that agreement was reasonable.

In their deliberations, the Trustees considered the factors they individually deemed relevant, with each Trustee weighting specific factors as he thought appropriate. Following their deliberations, the Independent Trustees voting separately, and then all Trustees voting together, approved the renewal of the Fund's management agreement for another year.

GMO Trust Funds

Board Review of Investment Management Agreements — (Continued) August 31, 2020 (Unaudited)

GMO U.S. Treasury Fund

Approval of renewal of management agreement for GMO U.S. Treasury Fund (the “Fund”). At a meeting on June 4, 2020, the Trustees of GMO Trust (the “Trust”) approved the renewal for an additional twelve-month period beginning on June 30, 2020 of the management agreements between Grantham, Mayo, Van Otterloo & Co. LLC (“GMO”) and the Trust, on behalf of the Fund and the other series of the Trust (collectively, the “GMO funds”).

Throughout the year the Trustees considered information relevant to the renewal of the Fund’s management agreement, meeting both privately and with representatives of GMO. In deciding whether to approve the management agreement, the Trustees also considered information the Trustees who are not “interested persons” of the Trust (the “Independent Trustees”) requested specifically for that purpose.

At a meeting on May 14, 2020, the Trustees discussed at length with representatives of GMO the investment performance of the Fund and the other GMO funds. Following that meeting the Independent Trustees, their independent legal counsel and their independent compliance consultant met privately to discuss the extensive materials GMO had provided them at their request. At that meeting, the Independent Trustees instructed their independent legal counsel to request additional information from GMO, which they received before and at a meeting of the Trustees on June 4, 2020. At the June meeting, representatives of GMO answered the Trustees’ questions, and the Independent Trustees then met privately once again with their independent legal counsel.

Using various metrics, the Trustees considered the Fund’s investment performance. The Trustees discussed how a fund pursuing similar investment strategies to those of the Fund might be expected to perform under various market conditions and considered whether the Fund had performed in accordance with those expectations. In addition, the Trustees considered the Fund’s performance in light of various risk and performance measures and as compared to the performance of non-GMO funds and accounts in peer groups selected by third-party data services.

The Trustees considered the Fund’s expense ratio (*i.e.*, annual operating expenses per share as a percentage of average annual net asset value per share) as compared to the expense ratios of non-GMO funds in a peer group selected by a third-party data service. In considering the Fund’s expense ratio, the Trustees took into account GMO’s undertaking to reimburse a portion of the Fund’s operating expenses.

The Trustees also considered the fees payable to GMO under the Fund’s management agreement. The Trustees reviewed information comparing the management fee payable by the Fund to the management fees of non-GMO funds in a peer group selected by a third-party data service.

The Trustees also considered the non-investment management services GMO provides to the Fund, including but not limited to valuation, legal and compliance, accounting, operational and technology services. The Trustees also considered the effects of the COVID-19 pandemic on various aspects of GMO’s operations, including portfolio management, marketing, distribution and data security, and expressed overall satisfaction with the way GMO’s business continuity plan had facilitated the continuation of operations during the pandemic.

The Trustees also reviewed information provided to them by GMO regarding its profits from managing the Fund and the Trust overall. The Trustees reviewed GMO’s methodology in preparing that information and considered the results of different approaches to calculating profitability. The Trustees took note of “fallout benefits” realized by GMO from its management of the Fund and the other GMO funds.

The Trustees considered possible economies of scale to GMO at the Fund’s recent asset levels and whether the fees payable by the Fund to GMO reflected these economies of scale. The Trustees observed that the Fund’s management fee did not have any breakpoints and considered the extent to which breakpoints were embedded in that fee.

The Trustees also considered the experience and sophistication of GMO and its personnel (including, among others, management and investment management personnel and legal, compliance, and risk-management personnel), noting personnel changes made during the past year and earlier. The Trustees also considered the resources GMO employed in managing the Fund, GMO’s organization, its reputation and relationship with Fund shareholders, its risk management policies, and other matters relating to GMO and the nature and quality of its services to the Fund.

GMO Trust Funds

Board Review of Investment Management Agreements — (Continued) **August 31, 2020 (Unaudited)**

After reviewing these and other factors, the Trustees concluded that the nature, extent and quality of GMO's services to the Fund supported their approval of the Fund's management agreement and that the fee charged under that agreement was reasonable.

In their deliberations, the Trustees considered the factors they individually deemed relevant, with each Trustee weighting specific factors as he thought appropriate. Following their deliberations, the Independent Trustees voting separately, and then all Trustees voting together, approved the renewal of the Fund's management agreement for another year.

GMO Trust Funds

Liquidity Risk Management Program

August 31, 2020 (Unaudited)

Rule 22e-4 under the Investment Company Act of 1940, as amended, requires open-end registered investment companies (other than money market funds) to adopt and implement a written liquidity risk management program that is reasonably designed to assess and manage liquidity risk. Each Fund has adopted a Liquidity Risk Management Program (the “Program”) that is designed to assess and manage liquidity risk, defined as the risk that the Fund could not meet redemption requests without significant dilution of the remaining shareholders’ interests in the Fund. The Program includes the following elements, among others:

- Monitoring of factors material to liquidity risk for each Fund;
- Classification of each Fund’s portfolio investments into one of four liquidity categories: highly liquid, moderately liquid, less liquid, and illiquid;
- Oversight of third parties providing services in support of the Program;
- Determination and review of a highly liquid investment minimum for any Fund that does not primarily hold assets that are highly liquid investments;
- A restriction on each Fund acquiring an illiquid investment if immediately after the acquisition the Fund would have more than 15% of its net assets invested in illiquid investments;
- Periodic reporting to the Board of Trustees, including a written report at least annually that addresses the operation of the Program and assesses its adequacy and effectiveness.

The GMO Trust Board of Trustees reviewed a written report from GMO dated April 24, 2020 addressing the Program’s operation, adequacy and effectiveness.

GMO Trust Funds

Fund Expenses

August 31, 2020 (Unaudited)

Expense Examples: The following information is in relation to expenses for the six month period ended August 31, 2020.

As a shareholder of the Funds, you may incur two types of costs: (1) transaction costs, including purchase premium and redemption fees, if applicable; and (2) ongoing costs, including direct and/or indirect management fees, direct and/or indirect shareholder services fees, and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Funds and to compare these costs with the ongoing costs of investing in other mutual funds.

These examples are based on an investment of \$1,000 invested at the beginning of the period and held for the entire period, March 1, 2020 through August 31, 2020.

Actual Expenses

This section of the table for each class below provides information about actual account values and actual expenses. You may use the information in this section, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, a \$10,000,000 account value divided by \$1,000 = 10,000), then multiply the result by the number under the heading entitled “Expenses Paid During the Period” to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

This section of the table for each class below provides information about hypothetical account values and hypothetical expenses based on the Funds’ actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Funds’ actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Funds with other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as purchase premium and redemption fees. Therefore, this section of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

	Actual			Hypothetical			Annualized Expense Ratio
	Beginning Account Value March 1, 2020	Ending Account Value August 31, 2020	Expenses Paid During the Period*	Beginning Account Value March 1, 2020	Ending Account Value August 31, 2020	Expenses Paid During the Period*	
Asset Allocation Bond Fund							
Class III	\$1,000.00	\$1,067.50	\$2.14	\$1,000.00	\$1,023.14	\$2.09	0.41%
Class VI	\$1,000.00	\$1,068.00	\$1.67	\$1,000.00	\$1,023.59	\$1.63	0.32%
Emerging Country Debt Fund							
Class III	\$1,000.00	\$1,009.20	\$2.73	\$1,000.00	\$1,022.48	\$2.75	0.54%
Class IV	\$1,000.00	\$1,009.50	\$2.48	\$1,000.00	\$1,022.74	\$2.50	0.49%
High Yield Fund							
Class VI	\$1,000.00	\$1,014.90	\$2.64	\$1,000.00	\$1,022.58	\$2.65	0.52%
Multi-Sector Fixed Income Fund (formerly Core Plus Bond Fund)							
Class III	\$1,000.00	\$1,031.90	\$2.15	\$1,000.00	\$1,023.09	\$2.14	0.42%
Class IV	\$1,000.00	\$1,031.80	\$1.89	\$1,000.00	\$1,023.34	\$1.89	0.37%
Opportunistic Income Fund							
Class VI	\$1,000.00	\$1,000.80	\$2.32	\$1,000.00	\$1,022.89	\$2.35	0.46%
Class I	\$1,000.00	\$999.50	\$3.28	\$1,000.00	\$1,021.93	\$3.31	0.65%
U.S. Treasury Fund							
Core	\$1,000.00	\$1,005.50	\$0.45	\$1,000.00	\$1,024.75	\$0.46	0.09%

* Expenses are calculated using each class’s annualized net expense ratio (including indirect expenses incurred) for the six months ended August 31, 2020, multiplied by the average account value over the period, multiplied by 184 days in the period, divided by 365 days in the year.