

Climate Change Investment Fund

Quarter Ending June 30, 2019

OVERVIEW:

The GMO Climate Change Investment Fund seeks to deliver high total return by investing in companies focused on climate change mitigation and adaptation.

Performance (%)

Net of Fees, GBP	+6.73
Gross of Fees, GBP	+6.95
MSCI ACWI ¹	+6.08
Value Added	+0.87

Major Performance Drivers

Clean Energy

Positioning: Clean Energy stocks averaged 36% of the portfolio in the second quarter, including allocations to Solar, Wind, Power Generation, and Batteries & Storage.

Results: Clean Energy stocks gained 7% in the quarter, led by Solar, which rose 46.5%. Other sub-sectors were lower, as Wind fell 2.8% and Batteries & Storage fell 6.9%.

Copper

Positioning: Copper stocks accounted for approximately 11% of our total portfolio during the quarter.

Results: Copper stocks were in negative territory for the quarter, during which time the copper price declined 8%.

Energy Efficiency

Positioning: Energy Efficiency makes up about 20% of the portfolio, consisting primarily of Transportation, Buildings and Diversified Efficiency subsectors.

Results: Energy Efficiency gained 6.4% in the quarter, led by Valeo, Schneider Electric, and Owens Corning, which each gained 18-25%.

Quarter-ending weights, as a percent of equity, for the positions mentioned were: Valeo (1.8%), Schneider Electric (1.1%), and Owens Corning (0.8%).

Performance data quoted represents past performance and is not indicative of future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance data may be lower or higher than the performance data provided herein. To obtain performance information to the most recent month end, visit www.gmo.com.

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

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¹ The MSCI ACWI (All Country World) Index (MSCI Standard Index Series, net of withholding tax) is an independently maintained and widely published index comprised of global developed and emerging markets. MSCI data may not be reproduced or used for any other purpose. MSCI provides no warranties, has not prepared or approved this report, and has no liability hereunder.