

HIGH YIELD FUND

Investment Review: Quarter Ending December 31, 2022

OVERVIEW

The GMO High Yield Fund seeks to generate total return in excess of that of its benchmark, the Markit iBoxx USD Liquid High Yield Index, by applying a systematic, factor-based approach to portfolio construction.

PERFORMANCE (%)

Net of Fees, Class VI, Fair Value, USD	+5.62
Gross of Fees, Class VI, Local Close, USD	+5.76
Markit iBoxx USD Liquid High Yield ¹	+4.31
Value Added	+1.45

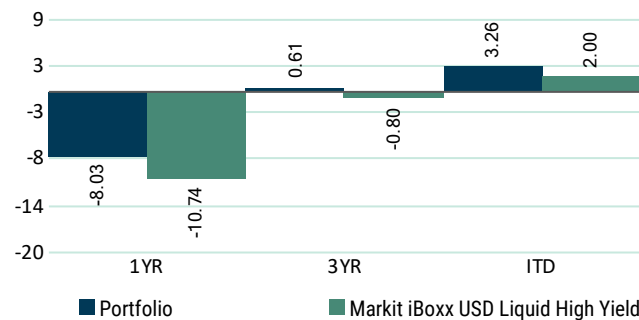
Major Performance Drivers

The Markit iBoxx USD Liquid High Yield index returned 4.3% in Q4, driven by both significant spread tightening in High Yield and lower Treasury yields. The rally was led by high quality paper, as CCC rated bonds were almost unchanged on an excess return basis.

Portfolio products, including benchmark exposure via Total Return Swaps and CDX HY holdings, drove most of the outperformance over the benchmark. Quality bonds, namely BB holdings, also performed well, while our low quality, short duration sleeve had returns on par with the benchmark. At quarter end the portfolio was invested in liquid portfolio products and high yield bonds.

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 investors 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. Gross Expense Ratio of 0.55% is equal to the Funds Total Annual Operating Expenses set forth in the Funds most recent prospectus dated June 30, 2022.

ANNUALIZED RETURN (%) AS OF 12/31/2022



Inception date: 06/25/2018
Includes purchase premiums and redemption fees impact if applicable.

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.

Risks associated with investing in the Fund may include Management and Operational Risk, Market Risk-Fixed Income, Credit Risk, Derivatives and Short Sale Risk and Fund of Funds Risk. For a more complete discussion of these risks and others, please consult the Fund's prospectus. The GMO Trust funds are distributed in the United States by Funds Distributor LLC. GMO and Funds Distributor LLC are not affiliated.

¹ The Markit iBoxx USD Liquid High Yield Index is an independently maintained index consisting of liquid USD high yield bonds, selected to provide a balanced representation of the broad USD high yield corporate bond universe.