

SYSTEMATIC GLOBAL MACRO TRUST

Year Ending December 31, 2020

OVERVIEW

The Trust's investment objective is long-term total return.

PERFORMANCE (%)

| | |
|--|--------------|
| Net of Fees, AUD | +7.85 |
| Gross of Fees, AUD | +9.61 |
| Bloomberg AusBond Bank Bill + ¹ | +0.37 |
| Value Added | +9.25 |

Major Performance Drivers

The portfolio finished the year with a strong return in the final quarter after successfully navigating the Covid-19 induced sell-off in the first quarter. The portfolio started the year with a positive equity beta, and moved to reduce this swiftly in response to what the team identified as underappreciated risks with the then localized coronavirus outbreak. This repositioning to a net negative beta exposure aided performance as the pandemic developed and broad markets fell precipitously through March. Equity risk was increased in a measured manner throughout the remainder of the year, finishing in positive territory as measured by both net exposure and equity beta. Value added from equity market allocation was partially offset by losses incurred from equity market selection. Gains were enjoyed from long positions in Asian equity markets, as well as from volatility trading. Beta timing helped over the period, particularly through March 2020. The returns from positioning within fixed income were slightly negative, whilst returns from currencies were generally positive over the period as the U.S. dollar, held short relative to European currencies amongst others, weakened. Long positions in select emerging market currencies including the Mexican peso and Brazilian real, both added to the investment universe during the year, also aided performance. Conversely, a long position in the Norwegian krone detracted considerably. The returns from commodities were strong as the portfolio was able to profit from large swings in many markets over the year on both the long and short side and across agricultural, energy, and metals markets. Standout performers include crude oil and silver.

Past performance information in the above is historical and is not a reliable indicator of future performance. Returns are shown after the deduction of management fees and other expenses. This information is current as at the date specified and is subject to change.

The Trust accepts investments from wholesale investors only. Retail investors are not able to directly invest in the Trust but may gain exposure to the Trusts by investing with certain investor directed portfolio services, master trusts, wrap accounts or custodians ("services"). GMO Australia Limited, GMO LLC, and their affiliates, do not guarantee the performance of the Trust or the repayment of an investor's capital. This information is of a general nature only and is not advice. It does not take into account the objectives, financial situation or needs of any specific investor. The offer to invest in the Trust for wholesale investors is contained in the current information memorandum. A Product Disclosure Statement ("PDS") is also available solely for use by retail investors gaining exposure to the Trust through a service.

The information memorandum and PDS can be obtained by visiting our website www.gmo.com. Investors should read the information memorandum or PDS, consider their own circumstances, and obtain their own advice before making an investment decision.

The GMO Systematic Global Macro Trust ARSN 090 799 385 ("the Trust") is issued by GMO Australia Limited ABN 30 071 502 639, AFS Licence No. 236 656.

SYSTEMATIC GLOBAL MACRO TRUST

Year Ending December 31, 2020

¹ The Bloomberg AusBond Bank Bill + Index is an internally maintained benchmark computed by GMO, comprised of (i) the Bloomberg AusBond Bank Bill through 29/11/2002, (ii) the Bloomberg AusBond Composite 0+ Yr Index through 29/04/2005, and (iii) the Bloomberg AusBond Bank Bill Index thereafter.