

QUARTERLY INVESTMENT REVIEW

Resources UCITS Fund

Performance returns (USD)

ANNUALIZED RETURNS (QUARTER-END)	Quarter-End	YTD	1-Year	3-Year	5-Year	10-Year	Since Inception
Resources UCITS Fund (net)	-6.32	-6.32	-19.73	-12.14	-	-	-4.78
Resources UCITS Fund (gross)	-6.15	-6.15	-19.11	-11.46	-	-	-4.05
MSCI ACWI Commodity Producers	9.87	9.87	-0.35	2.61	-	-	9.85
Value Add	-16.20	-16.20	-19.37	-14.75	-	-	-14.63

Data Source: GMO

MAJOR PERFORMANCE DRIVERS

The first quarter of 2025 saw a significant shift across global markets. There was a reversal of many of the themes driving the fourth quarter, with the “Trump trade” primarily unwinding. “Liberation Day” signaled the start of Trump’s tariff war in earnest, but the tariff announcements and resulting volatility had already begun in February and March. Commodity prices whipsawed as traders tried to price in the new geopolitical landscape. From the commodities we focus on, oil and copper prices were particularly sensitive to the risk of a global recession and a further deterioration in the U.S.-China relationship. Bond yields fell significantly at the 10-year part of the curve, reducing longer-term borrowing costs but leaving little immediate relief for any yield sensitive industries. Against this backdrop, the Resources portfolio was down for the quarter, underperforming the MSCI ACWI Commodity Producers index.

Our biggest segment, Energy, at over 60% of the portfolio was also the largest detractor. There were three main factors behind Energy’s underperformance. Smaller cap names and those with emerging market production like Kosmos Energy, Ypf, and Vista Energy, all experienced a tough quarter. In the case of Kosmos, investors couldn’t see past a short-term maintenance issue along with falling oil prices to a hedging program that provides downside protection and an expected free cash flow yield of 20% by year end. Conversely, not holding Exxon or Chevron hurt as investors looked past valuation in a flight to perceived safety. Neither had a particularly compelling earnings season. Finally our biofuel portfolio in our Clean Energy book faced pressure after major biofuel producers lowered their revenue guidance, partly due to uncertainty around the 45Z tax credit in the U.S. Earnings season across our other Clean Energy names generally indicated continued improvement in fundamentals. For example, Nextracker, a producer of utility scale solar equipment, reported a 33% beat on earnings and raised its profit guidance. Yet this is a company trading at 11x next year’s earnings.

RISKS

Risks associated with investing in the Fund may include: (1) Focused Investment Risk: the Fund invests its assets in the securities of a limited number of issuers, and a decline in the market price of a particular security held by the Fund may affect the Fund’s performance more than if the Fund invested in the securities of a larger number of issuers; (2) Commodities Risk: commodity prices can be extremely volatile, and exposure to commodities can cause the value of the Fund’s shares to decline or fluctuate more than if the Fund had a broader range of investments; and (3) Market Risk - Equities: the market price of equities may decline due to factors affecting the issuer, its industries, or the economy and equity markets generally. Declines in stock market prices generally are likely to reduce the net asset value of the Fund’s shares. For a more complete discussion of these and other risks, please consult the Fund’s Prospectus.

Inception Date: 29-Mar-21

Performance Returns: Performance for the year of inception is less than a full calendar year. Returns shown for periods greater than one year are on an annualized basis. To obtain performance information to the most recent month-end, visit www.gmo.com. **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.** Net of all fees and expenses after reimbursement by the Manager, but not transaction costs, if any. If certain expenses were not reimbursed, performance would be lower. Gross of fees, expenses and transaction costs, if any. If these fees, expenses and costs were included, performance would be lower. A dilution adjustment may be applied on a subscription or redemption of shares to reflect the costs of dealing in the Fund’s assets. The return on investment in the Fund may increase or decrease as a result of currency fluctuations if an investor’s investment is made in a currency other than that used in the past performance calculation. If the Fund holds assets in currencies other than the base currency of the Fund and/or you invest in a share class that is denominated in a different currency than the base currency of the Fund, subject to any hedging at share class or Fund level, the value of your investment may be impacted by changes in the relative prices of the relevant currencies. The use of financial derivative instruments by the Fund may result in increased gains or losses within the Fund. The portfolio is actively-managed, is not managed relative to a benchmark and uses the Index for performance comparison purposes only and, where applicable, to compute a performance fee.

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YOUR CAPITAL IS AT RISK.

QUARTERLY INVESTMENT REVIEW

MAJOR PERFORMANCE DRIVERS CONT.

Across other segments of the portfolio, copper has been the most interesting of the metals segments. Copper prices, particularly in the U.S., rose a lot in the first quarter, as stockpiling occurred to beat copper tariffs that have been expected. The copper miners didn't particularly benefit from the higher copper prices, implying that the equity market viewed the high copper prices as temporary. Despite the fact that copper miners hadn't benefitted much from the rise in copper prices, our thesis was that copper miners would be hurt as copper prices deflated, so we started to substantively trim our copper exposure. Once President Trump announced the tariffs, copper prices collapsed, and the copper miners have been hit. As a result, copper miners finished the quarter very attractively valued. In terms of other positioning changes over the quarter, we have been modestly adding to a range of energy names, as valuations have either continued to look attractive. Our agriculture portfolio, notably Corteva, has been an area to take profit as it has continued to ramp up its earnings.

The long-term supply/demand dynamics in natural resource markets favor high and rising prices. But the deeply discounted valuations still available in many parts of this sector mean that investors don't need commodity prices to rise in order to expect strong returns. Flat commodity prices could still lead to a healthy return from a resource equity portfolio. In addition, valuations within the Clean Energy sector remain attractive, especially relative to expected earnings growth.

Portfolio weights, as a percent of equity, for the positions mentioned were: Vista (3.1%), YPF (3.2%), Kosmos (5.1%), Nexttracker (1.2%), Corteva (1.1%)

QUARTERLY INVESTMENT REVIEW

PRODUCT OVERVIEW

The GMO Resources UCITS Fund seeks to generate total return by investing in equities in the natural resources sector.

GMO's Focused Equity team believes that the increasing demand for natural resources, driven primarily by population growth in and industrialization of emerging markets, coupled with the limited supply of these resources, favors an upward trend in resource prices over time. The Fund seeks to invest in the securities of companies that we believe will benefit from this expected long-term rise in natural resource prices.

This is a marketing communication and a financial promotion. Past performance does not predict future returns.

IMPORTANT INFORMATION

This is a marketing communication and a financial promotion. This is not a contractually binding document. An investor should consider all of the Fund's characteristics including the investment objectives, risks, charges and expenses before investing. This and other important information can be found in the Fund's prospectus and the KIID/PRIIPs KID. To obtain a prospectus and the KIID/PRIIPs KID please visit www.gmo.com. Read the prospectus and the KIID/PRIIPs KID carefully before investing and do not base any final investment decision on this communication alone.

Comparator Index(es): The MSCI ACWI (All Country World) Commodity Producers Index (MSCI Standard Index Series, net of withholding tax) is an independently maintained and widely published index comprised of listed large and mid capitalization commodity producers within the global developed and emerging markets. MSCI data may not be reproduced or used for any other purpose. MSCI provides no warranties, has not prepared or approved this report, and has no liability hereunder.

The Fund is a sub-fund of GMO Investments ICAV, an umbrella fund with segregated liability between sub-funds, which is authorised by the Central Bank of Ireland (the "Central Bank") as a UCITS pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended. The authorisation of the ICAV is not an endorsement or guarantee of the ICAV by the Central Bank. Neither the Central Bank nor the UK's Financial Conduct Authority has approved and or takes responsibility for the contents of this document or for the financial soundness of the Fund or for the ICAV. THE ICAV is an EEA UCITS scheme which is recognised under Part 6 of The Collective Investment Schemes (Amendment etc.) (EU Exit) Regulations 2019, as amended.

GMO UK Limited Authorised and Regulated by the Financial Conduct Authority Registered no 4658801 England. GMO Netherlands is registered with the AFM.

The Fund has not been registered under the United States Investment Company Act of 1940, as amended, nor the U.S. Securities Act of 1933, as amended. None of the shares may be offered or sold, directly or indirectly, in the U.S. or to any U.S. Person, unless the securities are registered under the Act or an exemption from the registration requirements of the Act is available. A U.S. Person is defined as (a) any individual who is a citizen or resident of the U.S. for federal income tax purposes; (b) a corporation, partnership, or other entity created or organized under the laws of or existing in the U.S.; (c) an estate or trust the income of which is subject to U.S. federal income tax regardless of whether such income is effectively connected with a U.S. trade or business.

Investors and potential investors can also obtain the prospectus and key investor information, and a summary of investor rights and information on access to collective redress mechanisms, in English and local languages where the Fund is registered, at the following website:

<https://www.gmo.com/europe/product-index-page/equities/resources-strategy/resources-ucits-fund/>

Please note that the management company of the Fund may decide to terminate the arrangements made for the marketing of the Fund in one or more EU member states pursuant to the UCITS marketing passport in accordance with the procedure provided for under the applicable laws that implement Article 93a of Directive 2009/65/EC (the UCITS Directive).

A full list of fees and charges applied to investment can be found in the prospectus and in the KIID/PRIIPs KID, available at: <https://www.gmo.com/europe/product-index-page/equities/resources-strategy/resources-ucits-fund/>

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