

HORIZONS

OVERVIEW

The GMO Horizons Strategy is a global strategy reflecting the view that the world economy is transitioning to a lower carbon future, and that this process will create opportunities for investors to generate excess returns. The Strategy seeks to capture these opportunities and mitigate related risks through significant exposure to impactful climate solutions and reduced total carbon footprint (direct and indirect), while controlling for exposure to Environmental, Social, and Governance (ESG) risks.

The GMO Horizons Strategy is a fully systematic and diversified solution that provides:

- Materially lower total emissions than the benchmark as measured using scope 1 emissions and GMO's proprietary Indirect Emissions model, which estimates the indirect emissions embodied in end-to-end company value chains
- High levels of exposure to companies where revenue is derived from selling green products and services
- ESG risk mitigation via better ESG characteristics than the benchmark

CUMULATIVE TOTAL RETURNS (USD, NET OF FEES, %)

	<i>MTD</i>	<i>QTD</i>	<i>YTD</i>	<i>2024</i>
Composite	-0.61	1.43	19.69	-2.13
Benchmark	-0.16	2.20	21.28	-0.65

ANNUALIZED TOTAL RETURNS (USD, NET OF FEES, %)

	<i>1 Year</i>	<i>3 Years</i>	<i>5 Years</i>	<i>10 Years</i>	<i>ITD</i>
Composite	16.99	-	-	-	14.53
Benchmark	18.69	-	-	-	17.32

FACTS

Strategy Inception	26-Sep-24
Composite Inception	30-Sep-24
Total Assets	\$24mm USD
Benchmark	MSCI ACWI ex Fossil Fuels

RISK PROFILE (SINCE INCEPTION 30-SEP-24)

Alpha (Jensen's)	-3.77
Beta	1.08
R Squared	0.99
Sharpe Ratio	0.93
Standard Deviation	10.78

PORTFOLIO MANAGEMENT



George Sakoulis
Joined GMO in 2020
MA & PhD, University of Washington



Warren Chiang, CFA
Joined GMO in 2015
MBA, University of California, Berkeley

Risks: Risks associated with investing in the Strategy may include: (1) 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; (2) Management and Operational Risk: the risk that GMO's investment techniques will fail to produce desired results, including annualized returns and annualized volatility; and (3) Non-U.S. Investment Risk: the market prices of many non-U.S. securities (particularly of companies tied economically to emerging countries) fluctuate more than those of U.S. securities. Many non-U.S. markets (particularly emerging markets) are less stable, smaller, less liquid, and less regulated than U.S. markets, and the cost of trading in those markets often is higher than it is in U.S. markets. This is not a complete list of risks associated with investing in the Strategy. Please contact GMO for more information.

Performance Returns: 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 predictive of future performance.** Net returns are presented after the deduction of a model advisory fee and incentive fee if applicable. These returns include transaction costs, commissions and withholding taxes on foreign income and capital gains and include the reinvestment of dividends and other income, as applicable. Fees paid by accounts within the composite may be higher or lower than the model fees used. **GMO does not yet have a GIPS-compliant report for this composite since it has not managed accounts in this strategy for a full year.**

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CHARACTERISTICS

	<i>Portfolio</i>	<i>Benchmark</i>
Price/Earnings - Forecast 1 Yr Wtd Mdn	23.8x	23.5x
Price/Earnings - Hist 1 Yr Wtd Mdn	30.6x	31.2x
Price/Book - Hist 1 Yr Wtd Avg	3.7x	3.8x
Price/Cash Flow - Hist 1 Yr Wtd Mdn	21.7x	21.4x
Return on Equity - Hist 1 Yr Mdn	23.0%	24.3%
Debt/Equity - Wtd Mdn	0.6x	0.6x
Market Cap - Wtd Mdn Bil	169.0 USD	159.3 USD
Number of Equity Holdings	266	2221
Active Share	47.7%	N/A

MARKET CAP BAND EXPOSURES (\$B)

	<i>Portfolio</i>	<i>Benchmark</i>
Small (6.0 & Below)	7.1	2.5
Small - Medium (6.0 To 19.4)	10.4	9.0
Medium (19.4 To 49.1)	11.1	14.3
Medium - Large (49.1 To 145.9)	16.9	21.9
Large (145.9 & Above)	54.4	52.3

TOP COUNTRIES (%)

<i>Country</i>	<i>Portfolio</i>	<i>Benchmark</i>
United States	64.1	65.5
Japan	4.5	4.7
China	3.9	3.1
Canada	3.3	2.7
United Kingdom	3.2	2.9
France	2.9	2.3
Taiwan	2.7	2.3
Germany	2.3	2.1
Switzerland	1.7	2.1
Australia	1.7	1.2

REGIONS (%)

<i>Region</i>	<i>Portfolio</i>	<i>Benchmark</i>
North America	67.4	68.2
Europe (Developed)	15.2	14.1
Emerging	9.4	10.7
Asia Pacific (Developed)	7.1	6.7
Cash Equivalents	0.9	0.0
Africa & Middle East (Developed)	0.0	0.2

SECTORS (%)

<i>Sector</i>	<i>Portfolio</i>	<i>Benchmark</i>
Communication Services	10.0	9.5
Consumer Discretionary	9.0	10.8
Consumer Staples	3.7	5.5
Energy	0.5	0.7
Financials	15.4	17.0
Health Care	10.4	9.7
Industrials	12.4	10.7
Information Technology	30.6	28.7
Materials	1.5	3.3
Real Estate	3.6	1.9
Utilities	2.8	2.3

TOP HOLDINGS

<i>Company</i>	<i>Country</i>	<i>Sector</i>	<i>%</i>
Alphabet Inc	United States	Communication Services	4.5
NVIDIA Corp	United States	Information Technology	4.5
Microsoft Corp	United States	Information Technology	4.4
Apple Inc	United States	Information Technology	4.2
Amazon.com Inc	United States	Consumer Discretionary	3.0
Broadcom Inc	United States	Information Technology	2.6
Meta Platforms Inc	United States	Communication Services	2.1
Tesla Inc	United States	Consumer Discretionary	1.9
Taiwan Semiconductor Manufacturing Co Ltd	Taiwan	Information Technology	1.8
JPMorgan Chase & Co	United States	Financials	1.4
Total			30.4

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IMPORTANT INFORMATION

Benchmark(s): The MSCI ACWI ex Fossil Fuels Index (MSCI Standard Index Series, net of withholding tax) is an independently maintained and widely published index based on the MSCI ACWI Index, its parent index, and includes large and mid-cap stocks across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries. The index represents the performance of the broad market while excluding companies that own oil, gas and coal reserves. 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 above information is based on a representative account in the Strategy selected because it has the fewest restrictions and best represents the implementation of the Strategy.

For private bank intermediaries in Singapore and Hong Kong, these materials are intended for institutional and Accredited/Professional Investors Use Only.

GLOSSARY

Risk Statistics: Risk profile data is net of fees. Alpha is a measure of risk-adjusted return. Beta is a measure of a portfolio's sensitivity to the market. R-Squared is a measure of how well a portfolio tracks the market. Sharpe Ratio is the return over the risk free rate per unit of risk. Std Deviation is a measure of the volatility of a portfolio.

Sector Exposures: The Global Industry Classification Standard (GICS) is the exclusive intellectual property of MSCI Inc. (MSCI) and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. (S&P). Neither MSCI, S&P, nor any third party makes any representations or warranties, express or implied, with respect to GICS or the results to be obtained by the use thereof, and expressly disclaim all warranties, including of merchantability and fitness for a particular purpose. Neither MSCI, S&P, nor any third party shall have any liability for any damages of any kind relating to the use of GICS. **Top Holdings:** Portfolio holdings are percent of equity. Where applicable, the top holdings are derived by looking through to the underlying portfolios in which the asset allocation strategy invests and, where appropriate, individual security positions are aggregated. They are subject to change and should not be considered a recommendation to buy individual securities. The above information is based on a representative account in the Strategy selected because it has the fewest restrictions and best represents the implementation of the Strategy.

ABOUT GMO

Founded in 1977, GMO is a global asset manager committed to delivering superior performance and advice to our clients. We are privately owned, which allows us to singularly focus on our sole business – achieving outstanding long-term client investment outcomes. Offering multi-asset, equity, fixed income, and alternative strategies, we invest with a long-term, valuation-based philosophical approach.

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*GMO's West Coast Hub is comprised of members of Investment, Global Client Relations, and other teams located in and around the Greater San Francisco area

**Representative Office

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