INTERNATIONAL QUALITY

OVERVIEW

The GMO International Quality Strategy seeks to generate total return by investing primarily in non-U.S. equities the Focused Equity team believes to be of high quality.

The team believes that companies with established track records of historical profitability and strong fundamentals – high quality companies – are able to outgrow the average company over time and are therefore worth a premium price. The Strategy's disciplined approach uses both quantitative and fundamental techniques to assess the relative quality and valuation of non-U.S. companies and aims to exploit a long-term investment horizon while withstanding short-term volatility.

FACTS

Strategy Inception	13-Aug-24
Composite Inception	31-Oct-24
Total Assets	$272mm USD
Index	MSCI World ex USA

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

	MTD	QTD	YTD	2025	2024
Composite	-4.06	-1.34	0.34	16.89	-5.65
Index	-3.27	0.89	10.16	31.85	-2.45

RISK PROFILE (SINCE INCEPTION 31-OCT-24)

Alpha (Jensen's)	-14.73
Beta	1.01
R Squared	0.88
Sharpe Ratio	0.09
Standard Deviation	13.17

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

	1 Year	3 Years	5 Years	10 Years	ITD
Composite	4.41	-	-	-	5.44
Index	15.89	-	-	-	19.97

PORTFOLIO MANAGEMENT



Tom Hancock
Joined GMO in 1995
MS, Rensselaer Polytechnic Institute;
PhD, Harvard University



Ty Cobb, CFA
Joined GMO in 1997
MSF, Suffolk University



Anthony Hene
Joined GMO in 1995
MS, University of Oxford

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 indicative of future results.** 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 LLC claims compliance with the Global Investment Performance Standards (GIPS®). A Global Investment Performance Standards (GIPS®) Composite Report is available at www.gmo.com by clicking the GIPS® Composite Report link in the documents section of the strategy page. GIPS® is a registered trademark owned by CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. Actual fees are disclosed in Part 2 of GMO's Form ADV and are also available in each strategy's Composite Report.** The portfolio is actively-managed, is not managed relative to a benchmark and uses an index for performance comparison purposes only and, where applicable, to compute a performance fee.

INTERNATIONAL QUALITY

CHARACTERISTICS

	Portfolio	Index
Price/Earnings - Forecast 1 Yr Wtd Mdn	19.8x	15.8x
Return on Equity - Forecast 1 Yr Wtd Mdn	27.6%	16.0%
Dividend Yield - Hist 1 Yr Wtd Avg	2.0%	2.6%
Market Cap - Wtd Mdn Bil	62.0 USD	71.0 USD
Number of Equity Holdings	35	719
Net Debt/EBITDA - Hist 1 Yr Wtd Mdn	1.0x	1.1x

SECTORS (%)

Sector	Portfolio	Index
Communication Services	0.0	3.6
Consumer Discretionary	14.4	7.4
Consumer Staples	18.4	6.1
Energy	0.0	5.5
Financials	0.0	28.0
Health Care	14.3	8.8
Industrials	22.4	17.7
Information Technology	21.2	11.0
Materials	9.2	7.2
Real Estate	0.0	1.3
Utilities	0.0	3.5

MARKET CAP BAND EXPOSURES ($B)

	Portfolio	Index
Small (5.9 & Below)	2.7	1.6
Small - Medium (5.9 To 20.2)	22.5	16.6
Medium (20.2 To 51.9)	22.6	23.9
Medium - Large (51.9 To 161.5)	25.5	36.1
Large (161.5 & Above)	26.6	21.8

TOP HOLDINGS

Company	Country	Sector	%
Taiwan Semiconductor Manufacturing Co Ltd	Taiwan	Information Technology	6.1
Industria de Diseno Textil SA	Spain	Consumer Discretionary	5.0
SAP SE	Germany	Information Technology	4.6
Unilever PLC	United Kingdom	Consumer Staples	4.4
ASML Holding NV	Netherlands	Information Technology	4.3
Kerry Group PLC	Ireland	Consumer Staples	4.0
Safran SA	France	Industrials	3.9
Novartis AG	Switzerland	Health Care	3.8
Roche Holding AG	Switzerland	Health Care	3.8
L'Oreal SA	France	Consumer Staples	3.6
Total			**43.5**

TOP COUNTRIES (%)

Country	Portfolio	Index
France	21.5	8.3
United Kingdom	13.6	12.6
Switzerland	9.2	7.9
Spain	8.5	3.5
Japan	7.9	21.8
Germany	7.7	7.6
Ireland	6.8	0.4
Taiwan	6.0	0.0
Netherlands	4.2	5.3
Australia	3.0	5.7

REGIONS (%)

Region	Portfolio	Index
Europe	78.1	55.9
Rest of World	21.2	44.1
Cash Equivalents	0.7	0.0

INTERNATIONAL QUALITY

IMPORTANT INFORMATION

Index(es): The MSCI World ex-USA Index (MSCI Standard Index Series, net of withholding tax) is an independently maintained and widely published index comprised of global developed markets, excluding the United States. 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.
Please refer to https://www.gmo.com/americas/glossary-of-terms/ for additional portfolio characteristic definitions.

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.

AMSTERDAM | BOSTON | LONDON | SAN FRANCISCO* | SINGAPORE | SYDNEY | TOKYO**

*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