EMERGING MARKETS DEBT TOTAL RETURN

OVERVIEW

The GMO Emerging Markets Debt Total Return Strategy integrates all of GMO's hard and local debt capabilities and seeks annualized returns of 3% (net of fees) above the Secured Overnight Financing Rate (SOFR) over a complete market cycle. Like other GMO emerging debt strategies, it employs a broad opportunity set, investing across all forms of emerging market debt, including securities, derivatives, and private instruments, in both hard and local currencies. The investable universe spans a wide range of issuer types (sovereigns, corporates, project finance) and credit qualities defined by credit rating agencies, ranging from high-quality credit (e.g., AA) to default (e.g., D). A SOFR+3% objective signals a lower portfolio duration and a focus on higher spread issues than in our debt-benchmarked relative strategies (blended, hard, or local currency). GMO does not seek to maintain a specified interest rate duration for the Strategy.

FACTS

Strategy Inception	15-Jul-26
Composite Inception	31-Jul-26
Total Assets	$100mm USD
Benchmark	SOFR Index Plus 3%

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

	MTD	QTD	YTD
Composite	-1.58	-0.78	-0.78
Benchmark	0.55	1.10	1.10

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

	1 Year	3 Years	5 Years	10 Years	ITD
Composite	-	-	-	-	-0.78
Benchmark	-	-	-	-	1.10

PORTFOLIO MANAGEMENT



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BA, Washington and Lee University

Risks: Risks associated with investing in the Strategy may include: (1) Credit Risk: the risk that the issuer or guarantor of a fixed income investment or the obligor of an obligation underlying an asset-backed security will be unable or unwilling to satisfy its obligation to pay principal and interest or otherwise to honor its obligations in a timely manner; (2) Market Risk - Fixed Income Investments: the market price of a fixed income investment can decline due to a number of market-related factors, including rising interest rates and widening credit spreads or decreased liquidity stemming from the market's uncertainty about the value of a fixed income investment (or class of fixed income investments); and (3) Market Disruption and Geopolitical Risk: Geopolitical and other events (e.g., wars, pandemics, sanctions, terrorism, diplomatic tensions, dramatic changes in regulatory and/or foreign policy, cyberattacks, and rapid technological developments such as artificial intelligence) often disrupt securities markets and adversely affect the general economy or particular economies and markets. Those events, as well as other changes in non-U.S. and U.S. economic and political conditions, could exacerbate other risks or otherwise reduce the value of the Fund's investments. 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 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

	Portfolio
Modified Duration	2.4
Spread Duration	2.4
# of FX Positions	27.0
# of Credit Markets	19.0
# of Interest-Rate Markets	27.0
USD	83.8%

TOP CURRENCIES (%)

Currency	Portfolio
USD	83.8
KRW	3.3
NGN	3.2
TRY	3.2
COP	3.2
EGP	3.0
MXN	2.4
BRL	2.2
PEN	1.7
IDR	1.6

CURRENCY CONTRIBUTION TO DURATION (%)

Currency	Portfolio
USD	2.1
MXN	0.4
CLP	0.2
BRL	0.1
CZK	0.1
KRW	0.1
COP	0.1
PYG	0.1
PLN	0.1
UGX	0.1

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IMPORTANT INFORMATION

Benchmark(s): The SOFR Index Plus 3% is comprised of the Secured Overnight Financing Rate (SOFR) plus 3% per annum.

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

Currency Contribution to Duration: Currency contribution to duration is the measure of each currency's contribution to the overall portfolio duration.
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

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ADDITIONAL GLOSSARY OF TERMS

Coupon
The annual income received from a fixed-income security, expressed as a percentage of the par value of the security and par weighted on portfolio level.

Credit (%)
The proportion of a mutual fund's total net assets that is invested in credit instruments—such as corporate bonds, securitized debt, or other credit-related securities—expressed as a percentage. This metric indicates the fund's exposure to credit markets and associated credit risk.

Effective Duration
A measure of a portfolio's price sensitivity to interest rate changes, including expected changes in cash flows caused by embedded options. The higher the effective duration, the higher the sensitivity to interest rate changes.

Maturity
A weighted average of all the maturities of the bonds in a portfolio, computed by weighting each bond's effective maturity by the market value of the security.

Modified Duration
A measure of a portfolio's price sensitivity to changes in interest rates. It estimates the percentage change in price for a 1% (100 basis point) change in yield, assuming all other factors remain constant.

Option-Adjusted Spread
Option-adjusted spread (OAS) is the spread over a benchmark yield curve that remains after accounting for the value of embedded options.

Spread
The difference between the yield on a bond or credit instrument and the yield on a benchmark security of similar maturity, typically a government bond. It reflects the additional compensation investors receive for taking on credit risk and is usually expressed in basis points.

Spread Duration
A measure of the portfolio's sensitivity to changes in credit spreads.

Weighted Average Life
A measure of average number of years until the principal of the securities is expected to be fully repaid.

Yield to Maturity
Represents the weighted average annualized return an investor would earn if the ETF's underlying bonds were held to maturity, assuming all interest payments are made as scheduled, bonds are held to maturity, coupons are reinvested at the same rate.

Yield to Worst
The lowest potential yield an investor can earn on a bond without the issuer defaulting, taking into account any call, put, or other early redemption features.