POWER INFRASTRUCTURE STRATEGY

Quarterly Investment Review

PRODUCT OVERVIEW

The GMO Power Infrastructure Strategy seeks total return by investing primarily in equities of companies operating in power infrastructure-related industries. GMO believes long-term drivers such as population growth, accelerating electrification, increasing wealth in emerging markets, reindustrialization, and surging energy demands from data centers and AI growth are converging to create a step-change in demand. The Focused Equity team combines fundamental and quantitative research to identify power infrastructure companies whose profitability is directly tied to the electrification and power generation value chain, businesses built to benefit as the world's appetite for power grows larger and more complex. The Strategy invests globally, in a benchmark-agnostic manner, allowing GMO to pursue attractive investment opportunities wherever they may be.

MAJOR PERFORMANCE DRIVERS

The GMO Power Infrastructure portfolio faced a challenging third quarter as rising interest rates weighed on infrastructure and other longer-duration assets. Inflation concerns returned, with the U.S. 10-year Treasury yield rising from roughly 4.4% to 5.3% over the quarter. Utilities in particular faced a difficult backdrop as higher bond yields put pressure on valuations.

Sentiment also weakened toward companies associated with AI capital expenditure and infrastructure, contributing to volatility across parts of the broader power and electrification complex. Parts of the nuclear, energy storage, and energy-efficiency value chains came under pressure despite continued strong earnings growth and constructive guidance.

Within the portfolio's resource-related exposures, uranium, lithium, and copper remain important beneficiaries of the longer-term build-out of the power system. In the nuclear and battery value chain, market weakness created opportunities to add exposure at increasingly attractive valuations. These structural themes remain supported by rising electricity requirements, electrification, and the need for greater investment in generation, storage, and the grid.

Energy efficiency also experienced a more challenging quarter, with the shifting narrative around AI infrastructure weighing on some companies in the space. However, the longer-term opportunity remains intact as growing electricity demand increases the economic importance of using power more efficiently.

We remain constructive on the long-term outlook for the Power Infrastructure portfolio. Rising electricity demand, electrification, and the need to expand and modernize power systems should require significant investment across generation, grids, storage, and energy efficiency for years to come. The portfolio currently trades at a discount to broader equities despite benefiting from powerful secular growth tailwinds. We believe this combination of attractive valuations and sustained investment in global power infrastructure provides a compelling opportunity for long-term investors.

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ANNUALIZED RETURNS (USD, %) (QUARTER-END)

	Quarter-End	YTD	1-Year	3-Year	5-Year	10-Year	Since Inception
Power Infrastructure Strategy (net)	-4.66	-4.66	-	-	-	-	-4.66
Power Infrastructure Strategy (gross)	-4.57	-4.57	-	-	-	-	-4.57
MSCI ACWI	1.53	1.53	-	-	-	-	1.53
Value Add	-6.19	-6.19	-	-	-	-	-6.19

RISKS

Risks associated with investing in the Strategy 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. This is not a complete list of risks associated with investing in the Strategy. Please contact GMO for more information.

Composite Inception Date: 31-Jul-26

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.** 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. Gross returns are presented gross of management fees and any incentive fees if applicable. These returns include transaction costs, commissions, withholding taxes on foreign income and capital gains and include the reinvestment of dividends and other income, as applicable. If management and incentive fees were deducted performance would be lower. For example, if, before fees, the strategy were to achieve a 10% annual rate of return above its hurdle rate each year for ten years, and an annual advisory fee of 1% and incentive fee of 20% of net returns above the hurdle rate were charged during that period, the resulting average annual net return (after the deduction of management and incentive fees) would be approximately 7.20%. **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.** 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.

IMPORTANT INFORMATION

Comparator Index(es): The MSCI ACWI (All Country World) Index (MSCI Standard Index Series, net of withholding tax) is an independently maintained and widely published index comprised of 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. Please visit https://www.gmo.com/americas/benchmark-disclaimers/ to review the complete benchmark disclaimer notice.

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.

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