U.S. EQUITY

OVERVIEW

The GMO U.S. Equity Strategy seeks to generate high total return by investing primarily in U.S. equities. The Strategy measures its performance against the S&P Composite 1500+ Index.

The Strategy's investment approach is grounded in the Systematic Equity team's belief that, in the short term, equity markets exhibit exploitable inefficiencies as a result of irrational investor actions, the imperfect flow of information, and the participation of non-economic actors, while in the long-term returns are ultimately driven by economic reality. The Strategy aims to take advantage of these inefficiencies by utilizing a multi-factor valuation model in conjunction with other methods, such as momentum and corporate alerts, to identify undervalued equity securities.

FACTS

Strategy Inception	18-Sep-85
Composite Inception	28-Feb-89
Total Assets	$213mm USD
Index	S&P Composite 1500 +

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

	MTD	QTD	YTD	2025	2024	2023	2022	2021
Composite	-0.52	-0.52	16.24	22.26	20.88	21.89	-12.47	32.13
Index	-0.64	-0.64	11.92	17.02	23.95	25.47	-17.78	28.45

RISK PROFILE (5-YEAR TRAILING)

Alpha (Jensen's)	2.49
Beta	1.00
R Squared	0.95
Sharpe Ratio	0.65
Standard Deviation	15.67

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

	1 Year	3 Years	5 Years	10 Years	ITD
Composite	20.47	25.26	14.11	15.15	11.52
Index	12.43	22.95	11.65	15.00	11.22

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) 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. 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.

U.S. EQUITY

CHARACTERISTICS

	Portfolio	Index
Price/Earnings - Forecast 1 Yr Wtd Mdn	14.5x	20.0x
Price/Earnings - Hist 1 Yr Wtd Mdn	20.5x	26.2x
Price/Book - Hist 1 Yr Wtd Avg	3.1x	5.0x
Price/Cash Flow - Hist 1 Yr Wtd Mdn	15.6x	19.8x
Return on Equity - Hist 1 Yr Mdn	27.4%	32.3%
Debt/Equity - Wtd Mdn	0.6x	0.5x
Dividend Yield - Hist 1 Yr Wtd Avg	1.6%	1.1%
Market Cap - Wtd Mdn Bil	173.9 USD	328.3 USD
Number of Equity Holdings	148	1455
Active Share	59.6%	N/A

SECTORS (%)

Sector	Portfolio	Index
Communication Services	12.6	8.0
Consumer Discretionary	14.1	9.2
Consumer Staples	4.2	4.9
Energy	0.1	4.1
Financials	15.7	12.5
Health Care	10.3	10.3
Industrials	6.4	9.1
Information Technology	35.6	35.7
Materials	0.9	2.0
Real Estate	0.0	2.2
Utilities	0.0	2.1

MARKET CAP BAND EXPOSURES ($B)

	Portfolio	Index
Small (5.6 & Below)	5.9	2.9
Small - Medium (5.6 To 20.6)	5.6	6.7
Medium (20.6 To 52.7)	13.8	8.5
Medium - Large (52.7 To 155.0)	22.1	17.5
Large (155.0 & Above)	52.6	64.5

TOP HOLDINGS

Company	Sector	%
NVIDIA Corp	Information Technology	7.4
Apple Inc	Information Technology	6.9
Alphabet Inc	Communication Services	4.8
Microsoft Corp	Information Technology	4.7
Amazon.com Inc	Consumer Discretionary	4.1
Meta Platforms Inc	Communication Services	2.9
Merck & Co Inc	Health Care	2.5
Verizon Communications Inc	Communication Services	2.3
Allstate Corp/The	Financials	2.2
Comcast Corp	Communication Services	2.1
Total		**39.9**

U.S. EQUITY

IMPORTANT INFORMATION

Index(es): The S&P Composite 1500 + Index is an internally maintained benchmark comprising (i) the GMO blended benchmark of the U.S. Equity Allocation Composite through June 30, 2014, (ii) the Russell 3000 through March 31, 2020, and (iii) the S&P Composite 1500 thereafter. The first component is a monthly weighted average of account benchmarks, typically using the S&P 500, Russell 3000, or a similar market proxy; weights vary by account. S&P does not guarantee the accuracy, adequacy, completeness, or availability of its data and is not liable for errors, omissions, or its use; reproduction requires prior written permission from S&P or its third-party licensors. Russell Investment Group owns the trademarks, service marks, and copyrights related to the Russell Indexes; Russell® is its trademark.

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