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GMO CLIMATE CHANGE TRUST

ARSN 653 552 875, ABN 97 376 426 404

Supplementary Product Disclosure Statement (“SPDS”) for indirect investors dated: 24 May 2024

This SPDS relates to the Product Disclosure Statement for GMO Climate Change Trust (the “Trust”) dated 15 September 2023 (the “PDS”).

The purpose of this SPDS is to inform existing and prospective investors of updates to the description of the Trust’s exclusion of companies that have substantial oil, coal and gas reserves with the highest levels of potential carbon emissions content based on such reserves.

This SPDS is an important document and must be read together with the PDS. The information set out below is taken to be included in the PDS. Terms defined in the PDS have the same meaning in this SPDS. If there is a conflict between the PDS and this SPDS, this SPDS will prevail.

This SPDS will be made available on: <https://www.gmo.com/australia/product-index-page/equities/climate-change-strategy/climate-change-trust/>

The information in this SPDS is current as of 24 May 2024 unless otherwise stated. Certain information is subject to change from time to time and, if the change is not materially adverse to unit holders, we will notify unit holders of any changes by posting the updated information on GMO’s website at www.gmo.com. We will also provide unit holders with a paper copy of any updated information free of charge on request. From time to time, GMO Australia may publish additional information about the Trust in a Statement of Additional Information (“SAI”) available at <https://www.gmo.com/globalassets/documents---manually-loaded/documents/sai/gmo-australia-sai.pdf>. The SAI is not incorporated into this PDS.

This SPDS is only for use by investors investing through an investor directed portfolio service (“IDPS”), IDPS-like scheme, master trust, wrap account or custodian (collectively known in this PDS as a “Service”). Investors gaining exposure to the Trust through a Service do not themselves become unit holders in the Trust. Instead, it is the Service Operator who invests for you that has the rights of a unit holder. References to ‘you’ or ‘your’ are to investors (and, where the context requires, prospective investors) who gain exposure to the Trust through a Service. This SPDS can only be used by investors receiving it in Australia (whether electronically or otherwise).

The information in this SPDS is general information only and has been prepared without taking account of your individual objectives, financial situation or particular needs. We recommend that before acting on this information, you consider its appropriateness to your circumstances and seek professional advice from a licensed or authorised financial advisor.

GMO Australia Limited (“GMO Australia”) is the responsible entity of the Trust and the issuer of this SPDS. As responsible entity, GMO Australia is responsible for overseeing the operations of the Trust. GMO Australia is wholly owned by GMO Australasia LLC which in turn is wholly owned by Grantham, Mayo, Van Otterloo & Co. LLC (“GMO”). Neither, GMO Australia, GMO, nor any of their affiliates guarantees the performance of the Trust or the return of unit holders’ capital.

Amendment to the PDS

The following amendment is made to the PDS effective as of the date of this SPDS:

Paragraph (a) of footnote number 4 on page 5 of the PDS is deleted and replaced with the following:

(a) In respect of identifying companies with substantial oil, coal and gas reserves, GMO identifies the companies excluded as contained in the list that appears at <https://www.gmo.com/cc-carbon-emissions-list>. The companies on the list are those GMO believes to have the highest levels of potential carbon emissions content based on their oil, coal and gas reserves. GMO uses third-party data sets and its own internal research to inform its assessment of these companies. GMO may update this list from time to time based on our updated assessments and/or updated information received.



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Product Disclosure Statement ("PDS") for indirect investors dated: **15 September 2023**

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This PDS provides a summary of significant information relating to GMO Climate Change Trust (the "Trust").

The information provided in this PDS is general information only and does not take into account your personal financial situation or needs. You should obtain financial advice tailored to your personal circumstances.

This PDS is only for use by investors investing through an investor directed portfolio service ("IDPS"), IDPS-like scheme, master trust, wrap account or custodian (collectively known in this PDS as a "Service"). In this PDS, the operator of a Service is referred to as your "Service Operator". Investors gaining exposure to the GMO Climate Change Trust (the "Trust") through a Service do not themselves become unit holders in the Trust. Instead, it is the Service Operator who invests for you that has the rights of a unit holder. References to 'you' or 'your' are to investors (and, where the context requires, prospective investors) who gain exposure to the Trust through a Service. This PDS can only be used by investors receiving it in Australia (whether electronically or otherwise). From time to time, GMO Australia may publish additional information about the Trust in a Statement of Additional Information ("SAI") available at <https://www.gmo.com/globalassets/documents---manually-loaded/documents/sai/gmo-australia-sai.pdf>. The SAI is not incorporated into this PDS.

1. About GMO Australia Limited

GMO Australia Limited ("GMO Australia") is the responsible entity of the Trust. As responsible entity, GMO Australia is responsible for overseeing the operations of the Trust. GMO Australia acts as investment manager of the Trust and has delegated some investment management functions to Grantham, Mayo, Van Otterloo & Co. LLC ("GMO"). GMO Australia is wholly owned by GMO Australasia LLC which, in turn, is wholly owned by GMO. Additionally, GMO has entered into personnel sharing arrangements with GMO UK Limited ("GMO UK"). Pursuant to this arrangement, some employees of GMO UK may serve as dual officers and/or associated persons of GMO and in this capacity may provide investment management and other services in respect of the Trust.

GMO, founded in 1977, is a privately held global investment management firm committed to providing sophisticated clients with superior asset management solutions and services. GMO offers a broad range of investment products, including equity and fixed income strategies across global developed and emerging markets, as well as absolute return strategies. GMO's global offices include the firm's headquarters in Boston and offices in San Francisco, London, Amsterdam, Singapore and Sydney. GMO manages over A\$88 billion globally (as at 30 June 2023).

2. How GMO Climate Change Trust works

The Trust is an Australian registered managed investment scheme. When you invest in the Trust your money is pooled together with other investors. GMO Australia uses this money to buy and sell assets on behalf of all investors in the Trust.

Investors will be issued interests in the Trust called 'units'. When you invest indirectly through a Service, it will be the Service Operator who receives units in the Trust. Each unit in the Trust confers a proportional beneficial interest in the assets of the Trust as a whole. Investors do not have any entitlement to any particular part of the Trust or any particular assets of the Trust, and have no right to participate in the management or operation of the Trust (other than through unit holder meetings).

Unit prices

The number of units you can purchase will depend on the amount being invested and the investment unit price calculated for the day GMO Australia receives a valid application. The unit price will vary as the market value of the assets in the Trust rises or falls. For current unit prices for the Trust please visit the GMO website (www.gmo.com).

GMO Australia will value the units of the Trust in accordance with the Trust's constitution. Unit prices are generally calculated on each business day¹. Entry prices may be higher than exit prices due to the costs of buying and selling the underlying assets of the Trust. The difference is called the Buy/Sell Spread. GMO Australia has a Unit Pricing Discretions Policy which sets out how we will exercise discretions in the unit pricing of the Trust. You can obtain a copy of the policy free of charge by contacting GMO Australia.

Applications and redemptions

The minimum initial investment amount is \$500,000. The minimum amount for an additional investment is \$250,000. GMO Australia may vary or waive the minimum investment amounts at any time. Different minimums may apply when you invest through a Service. For more information on how to make an investment, refer to '8 - How to apply', on page 8 of this PDS.

Once invested in the Trust, investors can generally redeem their investment at any time by making a redemption request (subject to certain requirements). The minimum redemption amount is \$250,000 or the whole of the investment if the value of units held is less than \$500,000. GMO Australia may vary or waive the minimum redemption amount at any time. GMO Australia generally pays redemption proceeds within 3 business days, however the Trust's constitution allows for up to 21 days to pay redemption proceeds. In addition, GMO Australia may choose to suspend redemptions in certain circumstances for up to 28 days under the Trust's constitution. In some circumstances, such as where there is a freeze on withdrawals or following a distribution made by the Trust, you may not be able to withdraw your funds within the usual period upon a request.

If GMO Australia receives redemption requests in relation to the Trust that in one day represent 20% or more of the total units in the Trust, the constitution permits GMO Australia to reduce each redemption request so that only 20% of the units are redeemed on that day. The unredeemed units are carried forward to the next business day and GMO Australia may again apply this restriction on each such subsequent day.

Processing

If the Trust's administrator receives an application or redemption request before 12:00pm on a business day and it has been completed accurately, the application or redemption price will usually be based on the unit price as at the close of business on that day. Application monies must also be received by the administrator in cleared funds by 12.00 pm. Applications or redemptions received after this cut-off or on a non-business day, will usually be processed using the unit price calculated as at the close of business on the next business day. Depending on the payment method, there may be some delay before monies are received in cleared funds by the administrator. GMO Australia will not be responsible for any such delays.

GMO Australia reserves the right, but is not obliged, to process an application prior to determining whether application monies have cleared in the Trust's application account. Should any loss arise as a result of application monies not clearing the investor will be liable for any related costs such as interest and/or market movements. You should contact your Service Operator to find out how to apply and redeem from the Trust. Your Service Operator may impose their own minimum application, redemption, processing or other requirements.

Distributions

The Trust intends to make distributions at least annually. Generally, distributions will comprise the taxable income of the Trust (as calculated using Australian tax principles), if any, net of accrued and actual Trust expenses and fees. The Trust may pay distributions periodically (e.g., in advance of large redemption requests). Taxable income will be distributed within a particular class of units. Unrealised capital gains and losses will be reflected in the price of units. The Trust intends to qualify and be operated as an Attribution Managed Investment Trust ("AMIT") for Australian income tax purposes (discussed in further detail in Section 7). The composition and timing of distributions could affect your tax position. GMO Australia strongly recommends that you seek professional taxation advice. Unless GMO Australia is otherwise directed in writing by a unit holder not less than one month prior to a distribution date to pay the distribution in cash, amounts distributed by the Trust will be re-invested in units of the Trust. You should contact your Service Operator to ask about payment and reinvestment options.

Indirect Investors

For indirect investors, it is generally the Service Operator who invests for you that has the rights of a unit holder. The Service Operator may exercise those rights in accordance with their arrangements with you. As you will not be a unit holder you will not have any direct voting rights and will not receive notice of, or be able to attend meetings of, unit holders. By investing in the Trust through a Service, you will not receive confirmation of transactions, distribution statements, periodic statements, annual reports or annual income statements directly from GMO Australia. These will be provided by GMO Australia to your Service Operator who will report to you on your investments in the Service in accordance with the arrangements governing the Service.

If you are investing through a Service, all enquiries about the Trust should be directed to your Service Operator. You should also consult your Service Operator to find out about:

- how to transact on your investment;
- cooling-off period and rights in relation to the Service (no cooling-off rights apply to any investments in the Trust through a Service);
- timing of distributions, withdrawals and the processing of transactions through the Service;
- cut-off times for applications and withdrawals;
- reporting and other documentation; and
- fees and other costs associated with the Service.

3. Benefits of investing in GMO Climate Change Trust

Significant features

The Trust seeks high total return by investing primarily in equities of companies GMO Australia believes are positioned to benefit, directly or indirectly from efforts to curb or mitigate the long-term effects of global climate change, to address the environmental challenges presented by global climate change, or to improve the efficiency of resource consumption.

Significant benefits

Investing in the Trust provides a range of benefits including:

- access to a daily priced pooled investment vehicle;
- access to the expertise of an experienced investment manager;
- access to a portfolio of investments are positioned to directly or indirectly benefit from efforts to curb or mitigate the long-term effects of global climate change, to address the environmental challenges presented by global climate change, or to improve the efficiency of resource consumption;
- the potential for high total returns;
- regular reporting by GMO Australia; and
- competitive fees.

¹ "Business day" means a day which is a business day in New South Wales.

4. Risks of managed investment schemes

All investments carry risk. Different investment strategies may carry different levels of risk, depending on the assets that make up the strategy. Assets with the highest long-term returns may also carry the highest level of short-term risk.

There is no guarantee that the Trust will achieve its investment objective. The value of the investments of the Trust will vary over time as will the level of returns of the Trust. Future returns may differ from past returns. Returns are not guaranteed and members may lose some of their money. In addition, laws affecting registered managed investment schemes may change in the future and this may impact the Trust's ability to achieve its investment objective. An investment in the Trust can be subject to investment risk, including possible delays in repayment and loss of income or principal invested. An investment in the Trust is not a deposit or liability of GMO, GMO Australia or any of their affiliates and none of these entities stands behind or in any way guarantees the capital value and/or performance of units issued or the assets of the Trust.

Some of the significant risks of the Trust are summarised below. Other risks also apply (including those detailed in the SAI).

Market Risk – Equity Securities: The market price of an equity may decline due to factors affecting the issuer, its industry, or the economy and equity markets generally. If the Trust purchases an equity for less than its fundamental fair (or intrinsic) value as assessed by GMO, and GMO's assessment proves to be incorrect, the Trust runs the risk that the market prices of these equities will not appreciate or will decline. The Trust also may purchase equities that typically trade at higher multiples of current earnings than other securities, and the market prices of these equities often are more sensitive to changes in future earnings expectations than the market price of equities trading at lower multiples. Declines in stock market prices generally are likely to reduce the net asset value of the Trust's units.

Commodities Risk: Commodities prices can be extremely volatile and exposure to commodities can cause the price of the Trust's units to decline and fluctuate in a rapid and unpredictable manner.

Management and Operational Risk: The Trust runs the risk that the investment manager's investment techniques will fail to produce intended results. The Trust also runs the risk that the investment manager's fundamental assessment of an investment is wrong, or that deficiencies in the investment manager's or another service provider's internal systems or controls will cause losses for the Trust or impair Trust operations.

Focused Investment Risk: Because the Trust focuses its investments in securities of companies involved in climate change-related industries, the Trust will be more susceptible to events or factors affecting these companies, and the market prices of its portfolio securities may be more volatile than those of funds that are more diversified. The Trust is particularly exposed to such developments as changes in global and regional climates, environmental protection regulatory actions, changes in government standards and subsidy levels, changes in taxation and other domestic and international political, regulatory and economic developments. Companies involved in alternative fuels also may be adversely affected by the increased use of, or decreases in prices for, oil or other fossil fuels. In addition, scientific developments, such as breakthroughs in the remediation of global warming, and changes in governmental policies relating to the effects of pollution may affect investments in pollution control, which could in turn affect these companies. Such companies also may be significantly affected by technological changes in industries focusing on energy, pollution control and mitigation of global warming. Because society's focus on climate change issues is relatively new, the emphasis and direction of governmental policies is subject to significant change, and rapid technological change could render even new approaches and products obsolete. Some companies involved in climate change-related industries have more limited operating histories and smaller market

capitalizations on average than companies in other sectors. As a result of these and other factors, the market prices of securities of companies involved in climate change-related industries tend to be considerably more volatile than those of companies in more established sectors and industries.

Foreign Investment Risk: The market prices of many foreign investments (particularly in emerging markets) may fluctuate more than those of Australian investments. Many foreign investment markets may be less stable, smaller, less liquid and less regulated than Australian investment markets, and the cost of trading in those markets often is higher than in Australian markets. Foreign portfolio transactions (including derivatives transactions) may involve higher commission rates, transfer taxes, and custodial costs than similar transactions in Australia. In addition, issuers of foreign securities (particularly those tied economically to emerging countries) often are not subject to as much regulation as Australian issuers, and the reporting, recordkeeping, accounting, custody, and auditing standards to which those issuers are subject often are not as rigorous as Australian standards. In addition, the Trust may be subject to foreign taxes, potentially on a retroactive basis, on (i) capital gains it realises or dividends, interest or other amounts it realises or accrues in respect of foreign investments, (ii) transactions in those investments and (iii) repatriation of proceeds generated from the sale or other disposition of those investments. Any taxes or other charges paid or incurred by the Trust in respect of its foreign investments will reduce its return thereon. The tax laws of some foreign jurisdictions in which the Trust may invest are unclear and interpretations of such laws can change over time, including on a retroactive basis. The Trust may accrue for certain taxes in respect of its foreign investments that it may or may not ultimately pay. Such tax accruals will reduce the Trust's net asset value at the time accrued, even though in some cases, the Trust ultimately may not pay the related tax liabilities. Conversely, the Trust's net asset value will be increased by any tax accruals that are ultimately reversed.

The Trust may seek a refund of taxes paid, but runs the risk that its efforts are not successful, causing the Trust to incur additional expenses for no benefit. In addition, the Trust assumes the risk that its pursuit of a tax refund may subject it to administrative and judicial proceedings in the country where it is seeking a refund. The decision to seek a refund is in GMO Australia's sole discretion, and particularly in light of the cost involved, GMO Australia may decide not to seek a refund, even if the Trust is entitled to one. The process of seeking a refund may take years, and the outcome of the Trust's efforts to obtain a refund is inherently uncertain. Accordingly, a refund is not typically reflected in the Trust's net asset value until GMO Australia believes that the refund is collectible and free from significant contingencies. In some cases, the amount of such refunds could be material to the Trust's net asset value. If you redeem your units before a potential refund is reflected in the Trust's net asset value, you will not realise the benefit of that refund. Taxes on non-Australian interest and dividend income are generally withheld in accordance with the applicable country's tax treaty with Australia. Provisions in or official interpretations of the tax treaties with such foreign jurisdictions may change over time and such changes could impact the Trust's eligibility for treaty benefits, if any. The foreign withholding rates applicable to the Trust's investments in certain jurisdictions may be higher if (among other factors) a significant portion of the Trust is held by non-Australian unit holders.

Also, the responsible entity of the Trust needs a licence to invest directly in securities traded in many foreign securities markets, and the Trust is subject to the risk that such licence held on its behalf is terminated or suspended. In some foreign securities markets, prevailing custody and trade settlement practices (e.g., the requirement to pay for securities prior to receipt) expose the Trust to credit and other risks with respect to participating brokers, custodians, clearing banks or other clearing agents, escrow agents and issuers. Further, adverse changes in investment regulations, capital requirements or exchange controls could adversely affect the value of the Trust's investments. These and other risks (e.g., nationalisation, expropriation, or other confiscation of

assets of foreign issuers, limitations on, or difficulties enforcing, legal judgments or contractual rights and geopolitical risks) tend to be higher for investments in the securities of companies tied economically to emerging markets, the economies of which may be predominantly based on only a few industries or dependent on revenues from particular commodities. The economies of emerging countries often are more volatile than the economies of developed markets.

Currency Risk: Fluctuations in exchange rates may adversely affect the market value of the Trust's investments and includes the risk that currencies in which the Trust's investments are traded, in which the Trust receives income and/or in which the Trust has taken on an active investment position will decline in value relative to other currencies, in the case of long positions, or increases in value relative to other currencies in the case of short positions, in each case resulting in a loss to the Trust.

Market Disruption and Geopolitical Risk: Geopolitical and other events (e.g. wars, pandemics, sanctions, terrorism) may disrupt securities markets and adversely affect the general economy or particular economies and markets. Those events, as well as other changes in foreign and domestic economic and political conditions, could adversely affect the value of the Trust's investments.

Counterparty Risk: The Trust runs the risk that the counterparty to an over-the-counter ("OTC") derivatives contract or a borrower of the Trust's securities will be unable or unwilling to make timely settlement payments or otherwise honor its obligations.

Derivatives and Short Sales Risk: The use of derivatives involves the risk that their value may not change as expected relative to changes in the value of the relevant underlying assets, pool of assets, rates, currencies or indices. Derivatives also present other risks, including market risk, illiquidity risk, currency risk and counterparty risk. The Trust may create short investment exposure by selling securities short or by taking a derivative position in which the value of the derivative moves in the opposite direction from the price of an underlying asset, pool of assets, rate, currency, or index. In addition, the risks of loss associated with derivatives that provide short investment exposure and short sales of securities are theoretically unlimited.

Leveraging Risk: The Trust's use of derivatives and securities lending may cause its portfolio to be leveraged. Leverage increases the Trust's portfolio losses when the value of its investments decline.

Event-Driven Risk: If the Trust purchases securities in anticipation of a proposed merger, acquisition, exchange offer, tender offer, or other similar transaction and that transaction later appears likely to be delayed or unlikely to be consummated or, in fact, is not consummated or is delayed, the market price of the securities purchased by the Trust may decline sharply, resulting in losses to the Trust. The risk/reward payout of event-driven strategies (such as merger arbitrage) typically is asymmetric, with the losses in failed transactions often far exceeding the gains in successful transactions. Event-driven strategies are subject to the risk of overall market movements, and the Trust may experience losses even if a transaction is consummated.

Large Unit Holder Risk: If a large number of units of the Trust are held by a single unit holder (e.g., an institutional investor or another GMO fund) or a group of unit holders with a common investment strategy, the Trust is subject to the risk that these investors will purchase, redeem, reallocate or rebalance their investments in large amounts and/or on a frequent basis, resulting in substantial withdrawals from, or investments into, the Trust. A redemption by those unit holders of all or a large portion of the Trust's units may adversely affect the Trust's performance by forcing the Trust to sell securities potentially at disadvantageous prices to satisfy a redemption request. Redemptions of a large number of units also may increase transaction costs or, by necessitating a sale of portfolio investments, have adverse tax consequences for unit holders. Applications and redemptions of units by a large unit holder or group of unit holders could limit the

deductibility of certain losses (from an Australian tax perspective) that would otherwise reduce the Trust's taxable income. In such cases, unit holders may bear more taxes than would have otherwise been the case.

Smaller Company Risk: Smaller companies tend to have limited product lines, markets, or financial resources, lack the competitive strength of larger companies, have less experienced managers and depend on a few key employees than larger companies. The securities of companies with smaller market capitalisation often are less widely held and trade less frequently and in lesser quantities, and their market prices often fluctuate more, than the securities of companies with larger market capitalisations.

Illiquidity Risk: Low trading volume, lack of a market maker, large position size, or legal or contractual restrictions (including daily price fluctuation limits or "circuit breakers") may limit, delay or prevent the Trust from selling particular securities or closing derivative positions at desirable prices.

Futures Contracts Risk: Investment in futures contracts involves risk. A purchase or sale of futures contracts may result in losses in excess of the amount invested in the futures contract.

Service Provider Risk: The Trust relies on external service providers in connection with its operation and investment activities. This includes fund administration, custody and audit. There is a risk that these service providers may not meet their contractual obligations or seek to terminate their services to the Trust. In this situation, the Trust may be required to replace a service provider and this may lead to a disruption of its activities.

The appropriate level of risk for you will depend on factors including your age, investment time frames, where other parts of your wealth are invested and your risk tolerance. Your financial adviser or planner should be able to help determine the appropriate level of risk for you.

5. How we invest your money

You should consider the likely investment return, the risk and your investment time frame when choosing whether or not to invest in the Trust.

Description of the Trust

The Trust is designed for experienced investors who are looking for a fund that aims to provide capital growth to be used as a part of a diversified portfolio where the investor has a medium to long term investment time-frame and a medium to high risk/return profile.

GMO Australia has prepared a Target Market Determination ("TMD") in accordance with the product design and distribution obligations of the Corporations Act. The TMD sets out the class of consumers for whom the Trust, including its key attributes, would likely be consistent with their likely objectives, financial situation and needs. A copy of the TMD is available free of charge at www.gmo.com or by contacting GMO Australia (by email to sydcst@gmo.com).

Investment Objective

The Trust seeks high total return.

Investment Strategy

GMO Australia seeks to achieve the Trust's investment objective by investing primarily in equities of companies GMO Australia believes are positioned to benefit, directly or indirectly, from efforts to curb or mitigate the long-term effects of global climate change, to address the environmental challenges presented by global climate change, or to improve the efficiency of resource consumption. Due to the far-reaching effects and evolving innovation related to climate change, GMO Australia expects the universe of such companies to be involved in a wide array of businesses.

GMO Australia selects the securities the Trust buys and sells based on its evaluation of companies' published financial information and corporate behavior (such as profit warnings, share issuance or

repurchase, and director dealings in company stock), securities' prices, commodities' prices, equity and bond markets, the overall global economy, and governmental policies. GMO may also consider sustainability and other ESG (environmental, social, and governance) criteria. In selecting securities for the Trust, GMO Australia uses a combination of investment methods to identify securities GMO Australia believes have positive return potential. Some of these methods evaluate individual companies or groups of companies based on the ratio of their security price to historical financial information and forecasted financial information, such as profitability, cash flow and earnings, and a comparison of these ratios to current and historical industry, market or company averages. Other methods focus on patterns of information, such as price movement or volatility of a security or groups of securities. The Trust may also utilize an event-driven strategy, such as merger arbitrage. The factors GMO Australia considers and investment methods GMO Australia uses can change over time.

Authorised Investments and Asset Allocation

The Trust's constitution authorises GMO Australia to invest in a wide range of investments.

The Trust has a fundamental policy to concentrate its investments in climate change-related industries and, under normal market conditions, the Trust invests at least 80% of its assets in companies in such industries. The Trust considers "climate change-related industries" to include clean energy, batteries and storage, electric grid, energy efficiency, recycling and pollution control, agriculture, water, and businesses that service such industries.

The Trust may invest in long and short positions in a range of global equity, bond and currency markets using exchange-traded futures and forward exchange contracts as well as making other investments. The Trust is permitted to invest directly and indirectly (e.g., through underlying funds or derivatives) in equities of companies tied economically to any country in the world, including emerging countries. The term "equities" refers to direct and indirect investments in common and preferred stocks and other stock-related securities, such as convertible securities, depositary receipts, and equity real estate investment trusts ("REITs") and income trusts. As an alternative to investing directly in equities, the Trust may invest in exchange-traded and over-the-counter (OTC) derivatives and exchange-traded funds (ETFs). The Trust also may invest in derivatives and ETFs in an attempt to obtain or adjust elements of its long or short investment exposure and as a substitute for securities lending. Derivatives used may include futures, options, forward currency contracts, and swap contracts. In addition, the Trust may lend its portfolio securities.

The Trust may invest its assets in securities of companies of any market capitalization and may invest a significant portion of its assets in securities of companies with smaller market capitalizations. The Trust has no limit on the amount it may invest in any single asset class, sector, country, industry, region or issuer. GMO Australia does not manage the Trust to, or control the Trust's risk relative to, any securities index or securities benchmark.

The Trust also may invest in pooled funds advised by GMO or its affiliates, including GMO U.S. Treasury Fund (a US mutual fund advised by GMO), in money market funds unaffiliated with GMO, and directly in the types of investments typically held by money market funds.

Minimum suggested investment time frame

5 years

Risk level

The Trust has a medium to high risk/return profile.

Labour standards, environmental, social and ethical considerations

GMO believes that Environmental, Social and Governance ("ESG") factors can have a meaningful impact on the long-term success of companies and countries. This impact is based on an assessment of sustainability risk, which GMO considers as part of the process of selection, retention and realization of investments. A sustainability risk is an ESG event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment. The

identification of sustainability risks will be based on GMO's assessment of the ESG factors it considers relevant on an investment-by-investment basis as part of the process of investment selection and ongoing management. To assist in this task, GMO may incorporate an analysis of how a company has been assessed using a range of third-party ESG data sets and GMO's proprietary ESG score² or a combination of these considerations. ESG factors GMO may consider when assessing sustainability risk and in selecting investments for the Trust include, but are not limited to:

- (1) environmental factors such as a company's carbon emissions and waste;
- (2) social factors such as a company's supply chain labour standards and the industry in which a company is engaged; and
- (3) governance factors such as sound management structures (e.g. board structure and composition), management behaviours (e.g. accounting practices, tax compliance) and whether the issuer has been the subject of serious or ongoing concerns about unsustainable business practices, such as corruption and abuse of minority shareholders.

There is no prescribed weight given to these ESG factors, overall or individually – the weights that are ascribed for a particular investment decision are dependent upon GMO's assessment of their materiality and relevance to that investment decision. GMO does not employ a particular timeframe to monitor and review these ESG factors for its decisions on the retention or realization of investments – the frequency of reviews is determined on a case-by-case basis.

GMO does not target a particular level of carbon emissions for the Trust's portfolio or maintain a minimum level of holding of sustainable investments in the Trust other than to the extent an investee company is an Excluded Investment (as defined below). The Trust's investments may include companies whose own activities may present material sustainability risks, but whose businesses are essential for combatting climate change (e.g., copper mining, copper being a key input into a wide range of clean technologies such as electric vehicles, electric grids, battery storage, heat pumps, wind and solar energy systems). In such instances, GMO may engage with companies, among others, on material ESG issues as part of GMO's engagement program. However, the Trust is managed in such a manner that:

- (i) it will not invest in companies that have substantial oil, coal and gas reserves with the highest levels of potential carbon emissions content based on such reserves;
- (ii) it will not invest in companies identified as being involved in the production or supply of tobacco, mining of thermal coal or production of controversial weapons (or essential inputs into the production of controversial weapons); and
- (iii) at least 70% of the Trust's investments are in companies that do not contravene the United Nations Global Compact principles,

(investments in contravention of (i), (ii), or (iii) above are collectively referred to as "Excluded Investments"³). GMO uses third-party data sets to inform its assessment of a company as being an Excluded Investment⁴. In the event that there are differences between the third-

² More information on GMO's ESG score is available at: [gmo-sustainability-and-responsible-investing-report 2022.pdf](#)

³ Note that these exclusions don't apply to the use of derivatives or investments in other pooled investment vehicles which may have an indirect exposure to these types of companies. In addition, accessibility and accuracy of data, changes to data sourced from a third party or an error by an external service provider, may result in inadvertent holdings, typically over the short term, in investments we are seeking to exclude. GMO will divest such holdings as soon as reasonably practicable having regard to liquidity and price.

⁴ The third-party data sets may include the following, however, at GMO's discretion similar data sets may be added or substituted over time:

- (a) In respect of identifying companies with substantial oil, coal and gas reserves, the Carbon Underground 200 list, which is a list of the top 100 coal and the top 100 oil and gas publicly-traded reserve holders globally, ranked by the potential carbon emissions content of their reported reserves. This list is updated quarterly and is published by FFI Solutions, a provider of research, portfolio analytics and index solutions;
- (b) In respect of the production or supply of tobacco, the MSCI BISR data set which identifies issuers whose revenue from the production and/or supply of tobacco products exceeds 5%;
- (c) In respect of the mining of thermal coal, the S&P Trucost data set which identifies issuers whose revenue from thermal coal mining exceeds 10%;
- (d) In respect of production of controversial weapons, the MSCI data set which identifies issuers who are manufacturers of cluster munitions (or who are owned by such manufacturers), land mines, depleted uranium and biological/chemical weapons;

party data providers' assessment, or GMO disagrees with the conclusions reached by one or more such third-party data providers, GMO will carry out its own assessment which may be informed by the third-party data provider and its own internal research.

Changes to Trust details

GMO Australia may change the investment objective, investment strategy, authorised investments and asset allocations and other investment information in relation to the Trust at any time. We will notify you about any material changes in accordance with the requirements under the Corporations Act. This may be after the change has occurred.

6. Fees and costs

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100 000 to \$80 000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** Moneysmart website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

The information in the following table can be used to compare costs between different simple managed investment schemes. Fees and costs can be paid directly from your investment or deducted from investment returns. Taxation information is set out in another part of this document. You should read all information about fees and costs because it is important to understand their impact on your investment.

Fees and costs summary

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
Ongoing annual fees and costs		
<i>Management fees and costs</i> Comprising:	0.759% p.a.*	Paid monthly in cash from Trust assets. Management fees and costs are accrued daily on the prior-day net asset value of the Trust (adjusted for investor transactions).
Management fees (the fees and costs for managing your investment)	0.759%	
Indirect costs	0.00%	
<i>Performance fees</i> Amounts deducted from your investment in relation to the performance of the product	0.0% p.a.	No performance fee is charged in respect of the Trust.
<i>Transaction costs</i> The costs incurred by the scheme when buying or selling assets	0.09% p.a.	The transaction costs are deducted from the assets of the Trust as and when incurred and are reflected in the unit price.

*Unless otherwise stated, all fees quoted in this PDS are quoted on a GST inclusive basis and net of any applicable Input Tax Credits and/or Reduced Input Tax Credits. "GST" has the meaning given in the A New Tax System (Goods and Services Tax) Act 1999 (Cth). Fees in this PDS can be individually negotiated where the investor is a wholesale client under the Corporations Act.

- (e) In respect of compliance with the United Nations Global Compact principles, the MSCI ESG Research's Global Norms data set;
- (f) the Sustainability Accounting Standards Board's materiality factors (<https://sasb.org/standards/materiality-finder/>); and
- (g) other data sets, including those published by Sustainalytics and MSCI. These data sets may use a combination of their own estimates and publicly available information (such as the issuer's financial statements) to assess "revenue".

Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)		
<i>Establishment fee</i> The fee to open your investment	Nil	N/A
<i>Contribution fee</i> The fee on each amount contributed to your investment	Nil	N/A
<i>Buy-sell spread</i> An amount deducted from your investment representing costs incurred in transactions by the scheme	0.30%	Incorporated into the unit price and incurred when an investor invests in or withdraws from the Trust.
<i>Withdrawal fee</i> The fee on each amount you take out of your investment	Nil	N/A
<i>Exit fee</i> The fee to close your investment	Nil	N/A
<i>Switching fee</i> The fee for changing investment options	Nil	N/A

Example of annual fees and costs for the Trust

The following table gives an example of how the fees and costs for the Trust can affect your investment over a 1 year period. You should use this table to compare this product with other managed funds.

EXAMPLE - GMO Climate Change Trust* BALANCE OF \$50,000 WITH TOTAL CONTRIBUTIONS OF \$5 000 DURING YEAR		
Contribution Fees	Nil	For every additional \$5,000 you put in you will be charged \$0.
PLUS Management Fees and Costs	0.759% p.a.	And for every \$50,000 you have in the Trust you will be charged or have deducted from your investment \$379.50 each year
PLUS Performance fees	0.0% p.a.	No performance fee is charged in respect of the Trust.
PLUS Transaction costs	0.09% p.a.	And , you will be charged or have deducted from your investment \$45.00 in transaction costs.
EQUALS Cost of fund	0.849% p.a.	If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of: \$424.50* What it costs you will depend on the fees you negotiate

*Additional fees may apply. Please note that this example does not capture all the fees and costs that may apply to an investor, such as the buy-sell spread.

Additional explanation of fees and costs

Management fees and costs

Management fees costs comprise the additional fees or costs that a unit holder incurs by investing in the Trust rather than by investing directly in the assets. Management fees and costs include the management fee payable to GMO Australia plus any non-routine expenses payable from the Trust. Management fees and costs include indirect costs but do not include the costs described in the "Transaction costs" section below. Management fees and costs are based on estimates current as of the date of this PDS. Management fees and costs are payable from the Trust's assets and are not paid directly from your investment.

Payment of expenses

GMO Australia will generally meet the routine expenses of the Trust. Subject to the constitution, GMO Australia has discretion to classify expenses as routine or otherwise, but generally interprets routine expenses as those expenses associated with the normal annual cycle of operation of the Trust. Routine expenses may include audit expenses, administration fees, custody expenses, statutory reporting, unit holder reporting, unit registry services, the printing and posting of reports and notices to unit holders, and the routine non-investment related tax services and non-investment related legal services provided for the Trust by or at the direction of GMO Australia. Non-routine expenses are generally paid or reimbursed by the Trust. These may include any government duties and charges, all financial institutions

duties and bank account taxes, certain taxes, brokerage, filing fees and related transactions charges arising from the receipt, collection, acquisition, investment, disposal or distribution of money or other property of the Trust (including receipt of application money) investment related tax services and investment related legal services provided for the Trust by or at the direction of GMO Australia, and any litigation costs incurred in relation to the Trust. These expenses are an additional cost to unit holders.

Indirect costs

Indirect costs generally include management fees and costs (if any) from underlying funds and a reasonable estimate of certain costs of investing in OTC derivatives to gain investment exposure to assets or implement the Trust's investment strategy. Indirect costs of the Trust are reflected in the unit price and borne by unit holders, but they are not paid to GMO Australia.

Transaction costs

In managing the assets of the Trust, the Trust may incur transaction costs ("Transactional Costs") such as brokerage, settlement costs, clearing costs and applicable stamp duty when assets are bought and sold, the costs of (or transactional and operational costs associated with) certain derivatives (such as derivatives used for hedging) Transaction Costs arise through the day-to-day trading of the Trust's assets or may arise when there are applications or withdrawals which cause net cash flows into or out of the Trust. These are reflected in the Trust's unit price. GMO Australia estimates that the total Transactional Costs for the Trust would be 0.09% of the net asset value of the Trust, of which 0.30% was recouped via a Buy or Sell spread (applying the current Buy/Sell Spread – see below) when applications or redemptions took place, resulting in net Transactional Costs of 0.0% (or \$0 over a one year period assuming an average account balance of \$50,000). However, such costs for future years may differ. As net Transactional Costs are factored into the asset value of the Trust's assets and reflected in the unit price, they are an additional cost of investment to the investor but they are not a fee paid to GMO Australia.

Buy/Sell Spread

When calculating the issue price of units in the Trust, GMO Australia will make an estimate of the costs attributable to the purchase or acquisition of the Trust's assets. This estimate is referred to as the Buy Spread. Similarly, when calculating the redemption price of units in the Trust, GMO Australia will make an estimate of the costs attributable to the sale or disposal of the Trust's assets. This estimate is referred to as the Sell Spread. The Buy/Sell Spread is used to apportion these transaction costs to the unit holders transacting rather than the other unit holders in the Trust. The Buy/Sell Spread is an additional cost to the investor but is incorporated into the unit price and incurred when an investor invests in or withdraws from the Trust. The current Buy Spread is 0.30% on the amount invested in the Trust. The current Sell Spread is 0.30% on the amount redeemed from the Trust. GMO Australia may vary the allowance for the Buy/Sell Spread to reflect changes in the costs of investing new funds and/ or generating funds to meet redemptions. The Buy/Sell Spread is paid into the Trust and is not paid to GMO Australia. Based on the current Buy/Sell Spread, the dollar value of these costs based on an application or withdrawal of \$50,000 is \$150 for each application or withdrawal.

Differential fees

GMO Australia may in its discretion and in accordance with relevant ASIC policy and the Corporations Act negotiate a rebate or waiver of part of the management fee with wholesale clients, as defined by the Corporations Act. Any fee rebate or waiver is subject to GMO Australia satisfying the requirements of ASIC policy and the Corporations Act. Any differential fee arrangement will not adversely affect the fees paid or to be paid by unit holders who are not entitled to the fee arrangements.

Fee changes

The Trust constitution sets the maximum fees payable. The constitution allows for management fees of up to 5%. The constitution also allows for contribution fees (of up to 5% of each investment) and withdrawal fees (of up to 5% of each investment). The fees currently charged for the Trust are as set out in this PDS. GMO Australia will give unit holders at least 30 days notice of any increase in the fees associated with the Trust.

Service Fees

If you direct your Service Operator to invest in the Trust on your behalf, you will pay the fees set out in your Service's disclosure document, which may include the fees described in this PDS. Please refer to your Service's disclosure document for the fees applicable to your investment. Additional fees may also be paid to a financial adviser if you have consulted a financial adviser. You should refer to the Statement of Advice provided by your financial adviser in which details of the fees are set out.

7. How managed investment schemes are taxed in Australia

Investing in a registered managed investment scheme is likely to have tax consequences. The income taxation information below is of a general nature only and applies to unit holders who hold their units in the Trust on capital account (rather than revenue account). You are strongly advised to seek professional tax advice, as tax and social security laws are complex and subject to change, and unit holders' individual circumstances vary.

The Trust intends to qualify and be operated as an AMIT for Australian income tax purposes. Qualification as an AMIT depends on a variety of factors and the Trust may not qualify as such. If the Trust is unable to qualify as an AMIT, capital account elections may be unavailable to the Trust, and certain distributions to non-Australian unit holders could be subject to a higher rate of Australian withholding taxes. The tax treatment of distributions made and/or income that is attributed in the hands of unit holders may depend on the type of income recognised by the Trust and whether the unit holders are Australian residents from a tax perspective. The types of distributions that the Trust may make include investment income (such as interest and dividends), net capital gains, a capital gains tax concession component, tax deferred return of capital amounts, franking credits from certain dividends and foreign income tax offsets. The Trust intends to distribute and/or attribute all of its taxable income (as determined under the Trust Constitution) to its unit holders each year. The Trust should not be subject to Australian income taxation but rather the unit holders are assessed for tax on any income and capital gains distributed and/or attributed to unit holders. Unit holders will be provided with an AMIT Member Annual Statement ("AMMA Statement") setting out the taxable income arising from their investment in the Trust. Investors in a Service will receive tax reporting in accordance with the reporting practices of the Service Operator. If the Trust makes distributions in excess of the Trust's taxable income for that year, the excess may be treated as a return of capital (which would reduce a unit holder's cost base in its units, with any amounts exceeding that base treated as a capital gain). A return of capital is generally not immediately assessable to unit holders, to the extent such amount does not exceed a unit holder's cost base. Conversely, the AMIT regime allows upward cost base adjustments to occur where the taxable income attributed to unit holders exceeds the distributions made. The effect of an upward cost base adjustment would be to increase a unit holder's cost base in its units, thus reducing any gain or increasing any loss on a subsequent taxable disposition by the unit holder of its units. Details of certain cost base adjustments will be included in the AMMA Statement. Where the Trust is in a tax loss position in a particular year, the loss is not distributable to unit holders. The loss can be carried forward and be used to offset assessable income in a future year (subject to certain rules). If unit holders make withdrawals from the Trust or transfer any of their units to a third party, or any of their units are redeemed, these events may constitute a disposal for tax purposes. The tax consequences of a disposal depend on the particular circumstances of each unit holder. Certain unit holders who hold units of the Trust for more than 12 months may be entitled to a capital gains tax concession in relation to the disposal of their units in the Trust. Proceeds from withdrawals from an AMIT may also contain a component of taxable income.

If an appropriate exemption is not quoted by a unit holder, tax will be deducted at the highest marginal tax rate from the amount distributed. If you are determined to be a non-resident for Australian income tax purposes (based on the information provided to the Trust), Australian withholding tax may be deducted from certain distributions made to you, including in respect of taxable income that is attributed to you. The rules regarding the application of treaty rates and your local tax implications are complex (in particular as some investment management functions have been delegated to GMO). You are strongly advised to seek professional tax advice. The Australian Taxation Office

requires the Trust to file certain information regarding unit holder accounts and transactions. In certain cases, the Trust may be required to amend tax information reported to unit holders in respect of a particular year. In this event, unit holders may be required to file amended tax returns, pay additional taxes (potentially including interest and penalties), and incur other related costs. The acquisition or disposal of units by unit holders should not be subject to GST. In addition, there should be no GST payable on any fund distributions to unit holders. The above disclosures are based on current taxation law and market practice.

8. How to apply

Indirect investors who wish to access the Trust via a Service should contact their Service Operator to make an application for units in the Trust. Application monies must be paid in accordance with any instructions specified by your Service Operator. You should refer to your Service's disclosure document for further information on applications through the Service. GMO Australia reserves the right to accept or reject applications at its discretion and delay processing of applications where it believes this to be in the best interest of unit holders.

Cooling off

You cannot exercise any cooling off rights directly with GMO Australia in relation to an investment in the Trust through a Service. Indirect investors should contact their Service Operator and read the Service's offer document for information on any cooling off rights that may apply in relation to the Service.

Complaints

Unit holders in the Trust and those accessing the Trust via a Service may submit a complaint to GMO Australia. If you wish to make a complaint, please contact GMO Australia:

Attention: GMO Australia Client Relations
Mail: P.O. Box R1817, Royal Exchange, NSW 1225
Email: sydcst@gmo.com

GMO Australia will:

- acknowledge any complaint in writing and inform the investor when they should expect to receive an answer or feedback; and
- endeavour to ensure that all complaints will be properly considered and dealt with in a timely manner, generally within 30 days. Some types of complaints such as more complex complaints may have a different response time-frame. We will let you know if a different time-frame will apply to your complaint.

GMO Australia is a member of the Australian Financial Complaints Authority. This is an independent body whose purpose is to address the complaints from investors where the investor is not satisfied with the outcome of GMO Australia's complaint resolution process. The contact details for the Australian Financial Complaints Authority (www.afca.org.au) are set out below:

Tel: 1800 931 678
Email: info@afca.org.au
Mail: GPO Box 3, Melbourne, Victoria, 3001

9. Other information

You should keep a copy of the current PDS for future reference. You can obtain a copy of the current PDS, free of charge, by either visiting GMO's website (www.gmo.com) or by contacting GMO Australia.

Custodian and third party administrator

GMO Australia has appointed State Street Australia Limited ("SSAL") as custodian and administrator to the Trust. SSAL provides safekeeping, settlement and administrative services for the Trust. All assets of the Trust will generally be held in the name of the custodian, its sub-custodians or the responsible entity. The role of the custodian is limited to holding assets of the Trust and it has no supervisory role in relation to the operation of the Trust. The custodian does not make investment decisions in respect of the assets held or manage those assets. GMO Australia has also appointed SSAL to perform the unit registry function for the Trust. GMO Australia regularly monitors the performance of SSAL against the documented service level agreements. SSAL has given consent (which has not been withdrawn as at the date of this PDS) to the inclusion of references to SSAL in this PDS in the form and context in which they are included.

Constitution

The Trust operates under a constitution. This PDS summarises some of the provisions of the constitution but is qualified in its entirety by reference to the actual provisions of the constitution. Copies of the Trust constitution are available at no cost from GMO Australia on request. Persons contemplating investing in the Trust will be taken to have read and understood the constitution.

Compliance

The Trust has a compliance plan and is supervised by a compliance committee constituted with a majority of external members. This committee generally meets quarterly. Copies of the Trust's compliance plan are available at no cost from GMO Australia on request.

Related parties

GMO Australia and GMO are the investment managers of the Trust. GMO has been appointed as investment manager on commercial arm's length terms. GMO Australia is the responsible entity of the Trust and a subsidiary of GMO. This may give rise to conflicts of interest. Related party transactions also carry a risk they could be assessed and monitored less rigorously than transactions with unrelated third parties. GMO Australia has sought to mitigate these risks by putting in place a conflicts of interest and related party policy that governs the way GMO Australia deals with conflicts or related party transactions. GMO Australia has the policies and procedures in place to manage conflicts through controlling, avoiding or disclosing conflicts.

Updated Information Available

The information in this PDS may change over time. Where information changes that is not materially adverse to investors, we will update this information. Up to date information, including information on the Trust's performance, funds under management, and financial highlights is available on GMO's website, www.gmo.com. Paper copies of this information are available from GMO Australia's office during business hours at no cost.

Privacy

By investing in the Trust, you acknowledge and agree that your personal information may be handled by GMO Australia and its service providers in the manner set out below. GMO Australia collects your personal information to process and administer your investment in the Trust and to provide you with information about your investment in the Trust. Some of this information is required by anti-money laundering laws and may be required to be kept on a register in accordance with the Corporations Act 2001. GMO Australia may not be able to process your application to invest in the Trust if you do not provide all or part of the information to us. GMO Australia may disclose your personal information for purposes related to your investment, to GMO Australia's affiliates, agents and service providers. In order to use and disclose your personal information for the purposes stated above, GMO Australia may be required to transfer your personal information to entities located outside Australia where it may not receive the level of protection afforded under Australian law. GMO Australia may disclose your personal information to the United States, United Kingdom, Singapore and other countries. By investing in the Trust, you consent to your personal information being transferred overseas for these purposes. GMO Australia would like to retain and use the personal information you provide to keep you informed about future investment opportunities. GMO's privacy policy contains further information about GMO Australia's privacy practices, including your rights to access and correct your personal information, and to make a complaint regarding our use, holding or disclosure of your personal information. You can obtain a copy of the policy free of charge by contacting GMO Australia.