QUARTERLY INVESTMENT REVIEW

Resources Fund

Performance returns (USD)

ANNUALIZED RETURNS (QUARTER-END)	Quarter-End	YTD	1-Year	3-Year	5-Year	10-Year	Since Inception
Resources Fund (net)	-4.31	-8.35	-7.46	-2.82	7.45	4.95	6.10
Resources Fund (gross)	-4.14	-8.01	-6.79	-2.12	8.22	5.72	6.88
MSCI ACWI Commodity Producers	0.04	4.17	10.97	10.82	7.91	2.47	3.24
Value Add	-4.35	-12.52	-18.44	-13.64	-0.46	+2.48	+2.85

Performance data quoted represents past performance and is not indicative of future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance data may be lower or higher than the performance data provided herein. The portfolio is not managed relative to a benchmark. References to an index are for informational purposes only.If certain expenses were not reimbursed, performance would be lower. Transaction costs, if any, are paid to the fund to offset the cost of portfolio transactions to invest or raise cash. To obtain performance information to the most recent month-end, visit www.gmo.com.

MAJOR PERFORMANCE DRIVERS

The second quarter in global equities continued one of the most concentrated rallies of all time as market cap indices hit historic highs. But ex-the magnificent 7, MSCI ACWI was close to flat for the quarter as were indices without tech exposure. At the same time, interest rate sentiment bounced all over the place. U.S. 10-year yields moved around an almost 50-basis-point range as Federal Reserve guidance continued to be hawkish but unemployment data looked supportive of looser policy. Copper prices rose but at a much slower pace than in the first quarter, iron ore was roughly flat, and lithium generally fell again. Clean Energy was also down; the Wilderhill Clean Energy index ended around -12%. Against this backdrop, the Resources portfolio was down for the quarter, underperforming the MSCI Commodity Producers index, which was flat.

Our Energy segment, now more than half the portfolio, was the main detractor. Unsurprisingly, Clean Energy was the primary driver of negative returns given the broader headwinds for the sector. Our Fossil Fuel positions ended roughly flat for the quarter. Strong returns from producers like Galp – whose discoveries in Namibia have caused broader excitement across the oil & gas industry – being balanced by tougher performance at Kosmos – our largest position and one where we see a significant ramp to higher free cash flow. Within Clean Energy, Solar positions were the largest detractor from the group as investors punished those with exposure to European inventory cycles (SolarEdge, Enphase) or higher perceived interest rate risk (SunRun). After a quarter like this, its important to remind ourselves that one can easily be swayed by myopic markets and equate short-term volatility with fundamental risk. These are companies with direct exposure to a market that is expected to grow gigawatts at 10-15% per year for the next decade and are not, critically, price takers along this road. These are primarily companies with a clear competitive moat that are very likely past any cyclical trough. And it wasn't all bad news! Investors were willing to reward those most exposed to U.S. onshoring and receiving real dollars from the U.S. Inflation Reduction Act, like First Solar. It was one of our strongest contributors for the quarter.

Inception Date: 28-Dec-11

Performance for the year of inception is less than a full calendar year. Returns shown for periods less than one year are not annualized.

Risks: Risks associated with investing in the Fund 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. (3) Market Risk - Equities: The market price of an equity may decline due to factors affecting the issuer or its industry 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. For a more complete discussion of these risks and others, please consult the Fund's prospectus.Annualized Returns may include the impact of purchase premiums and redemption fees. Returns shown for periods greater than one year are on an annualized basis.

If certain expenses were not reimbursed, performance would be lower. Transaction costs, if any, are paid to the fund to offset the cost of portfolio transactions to invest or raise cash. **Net Expense Ratio: 0.72%; Gross Expense Ratio: 0.72% Net Expense Ratio reflects the reduction of expenses from fee reimbursements. The fee reimbursements will continue until at least June 30, 2025. Elimination of this reimbursement will result in higher fees and lower performance. Gross Expense Ratio is equal to the Funds Total Annual Operating Expenses set forth in the Funds most recent prospectus dated June 30, 2024.**

QUARTERLY INVESTMENT REVIEW

MAJOR PERFORMANCE DRIVERS CONT.

Across Industrial Metals, performance was mixed. Within the Diversified Miners, Boliden was the standout helped by its copper and zinc exposure. Zinc prices rose materially over the quarter. Copper producers again performed well as prices continued to rise, driven significantly by Ivanhoe Mines. Given the magnitude of the rally, we have trimmed some of our copper positions this quarter. Our Platinum Group Metals miners were the standout group this quarter, mostly thanks to Impala Platinum, which was up 20%. Lithium miners continued to face headwinds from greater supply coming online and slower growth in EV demand. We consider the "death of EVs" to be an overhyped phenomenon. Nearly one in five cars sold in 2023 was electric, according to IEA data. And a temporary oversupply in the global EV market could push closer to the tipping point of price parity with internal combustion engines. We continue to expect long-term EV penetration rates to rise and see a significant growth runway for those in its value chain, including very attractively priced lithium producers.

A notable liquidation within the Agriculture portfolio was our position in Ros Agro, a Russian agricultural commodity producer. We have patiently waited for a strong bid on this position and received a premium to pre-Ukraine invasion prices.

The long-term supply/demand dynamics in natural resource markets favor high and rising prices. But the deeply discounted valuations still available in some parts of this sector mean that investors don't need commodity prices to rise in order to expect strong returns. Flat commodity prices could still lead to a healthy return from a resource equity portfolio. In addition, valuations within the Clean Energy sector are increasingly attractive.

Portfolio weights, as a percent of equity, for the positions mentioned were: Kosmos (5.4%), Galp (4.2%), Ivanhoe (4.2%), SunRun (x.x%), First Solar (1.0%), Boliden (2.1%), Impala Platinum (1.0%), Ros Agro (0.0%).

QUARTERLY INVESTMENT REVIEW

PRODUCT OVERVIEW

The GMO Resources Fund seeks to deliver total return by investing in the equities of companies in the natural resources sector. Long-term supply and demand dynamics in natural resource markets favor upward price trends – demand growth is being driven by population growth and the development of emerging markets, while supplies of cheap, easy to access natural resources are declining. To harness this trend, we focus on identifying companies in public equity markets that we believe will benefit from a broad rise in resource prices, across a diversified portfolio of energy, metals, agriculture, and water.

We can invest globally across the capitalization spectrum, including emerging markets, which allows us to identify attractive investment opportunities wherever they may be.

IMPORTANT INFORMATION

Comparator Index(es): The MSCI ACWI (All Country World) Commodity Producers Index (MSCI Standard Index Series, net of withholding tax) is an independently maintained and widely published index comprised of listed large and mid capitalization commodity producers within the 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.

An investor should consider the fund's investment objectives, risks, charges and expenses before investing. This and other important information can be found in the funds prospectus. To obtain a prospectus please visit www.gmo.com. Read the prospectus carefully before investing.

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