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## HIGHLIGHTS

- Small Capitalization stocks (as represented by the Russell 2000 Index) fell -7.5% during the quarter.
  - The Glenmede Small Cap Equity strategy outperformed the Russell 2000 by 7.5% (7.3% net).
  - From a sector perspective, Health Care and Information Technology were areas of strength, while Materials was the lone detractor for the strategy.
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The small cap market, as defined by the Russell 2000 Index, returned -7.5% for the first quarter of 2022. The benchmark's best performing sectors during the quarter were the Energy and Utilities sectors. The Energy sector benefitted from higher oil prices driven by the Russia/Ukraine conflict, while Utilities were rewarded for their defensive characteristics in a turbulent market. At the other end of the spectrum, Consumer Discretionary was the worst performing sector in the benchmark as investors questioned if consumer spending will remain elevated following robust COVID-19 induced demand.

The portfolio returned 0.0% (-0.2% net) for the first quarter, which was an outperformance of 7.5% on a gross of fee basis relative to the Russell 2000 Index. From a sector perspective, Health Care and Information Technology were areas of strength, while Materials was the lone detractor for the strategy.

The portfolio's Health Care sector added 2.2% on an attribution basis for the quarter with strong security selection across a multitude of industry groups driving the result. Investors have continued to be more discriminating within the sector and are rewarding higher quality businesses as opposed to the prior strategy of simply investing in higher growth, but negative earning companies. This shift in selectivity has benefitted the strategy.

The portfolio's Information Technology sector added 1.4% relative to the benchmark on an attribution basis. The strategy benefited from the strong stock selection within the Software industry as evidenced by a portfolio holding being acquired for a premium during the quarter. Similarly to the Health Care sector, investor focus on higher quality, rather than lower quality, has aided the strategy.

The portfolio's Materials sector was down -0.1% relative to the benchmark on an attribution basis. The slight underperformance resulted from the strong performance of the Metals & Mining industry, an area where that is not owned in the strategy. The strong performance of the strategy's two holdings within the Containers & Packaging industry was able to buoy the sector's performance.

In the first quarter, small cap investors exhibited caution as high inflation and potentially slowing economic growth weighed on their confidence. Investors continue to be skeptical about the current economic cycle and will be focused on Fed policy and the pace by which they raise rates over the coming year. While there are pockets of weakness, we believe as a whole, the domestic economy is on sound footing and that the current economic cycle has further room to run. Our focus on investing in higher-quality companies trading at attractive valuations with company specific catalysts should be rewarded.

## GLENMEDE'S SMALL CAP SECTOR POSITIONING

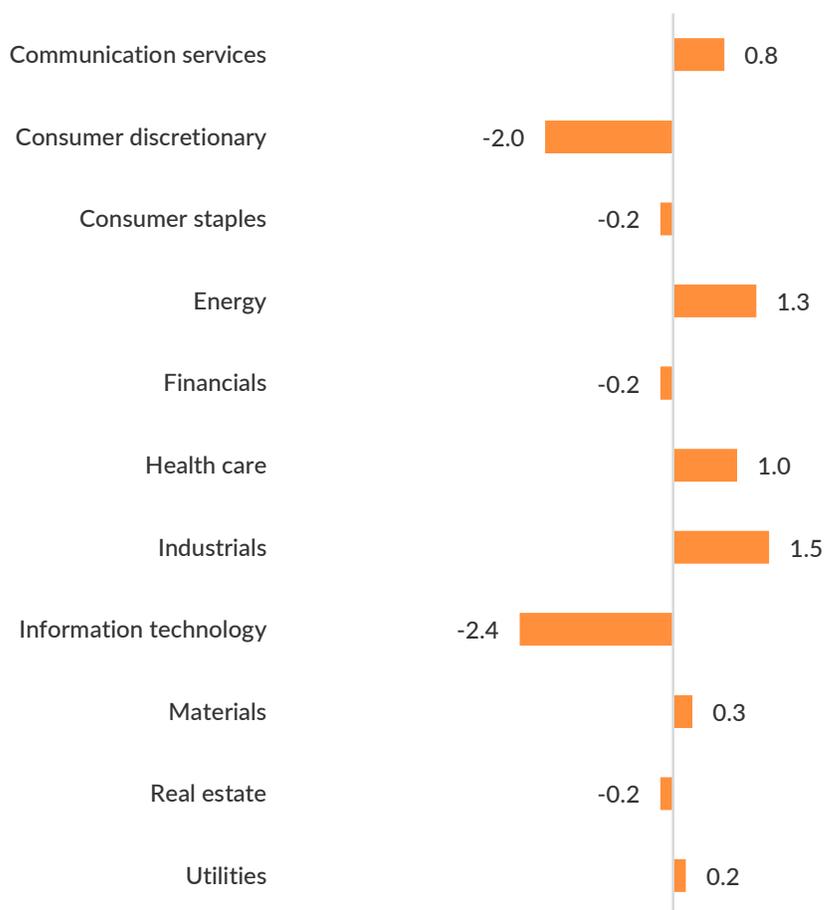
AS OF MARCH 31, 2022

We believe the US economy will prove resilient in 2022

**DRIVERS:** Fiscal policy, corporate spending, continued COVID re-opening, and organic demand

**RISKS:** COVID variants, Federal Reserve policy mistake, and geopolitical events

Glenmede Small Cap Equity vs. Russell 2000 Index  
Sector group difference (%)



The views expressed represent the opinions of the portfolio managers as of March 31, 2022. There can be no assurance that the same factors would result in the same decisions being made in the future. In addition, the views are not intended as a recommendation of any security, sector or product. **Returns reported represent past performance and are not indicative of future results.** Actual performance may be lower or higher than the performance set forth above. The Russell 2000 Index is an unmanaged, market value weighted index, which measures performance of the 2,000 companies that are between the 1,000th and 3,000th largest in the market. One cannot invest directly in an index. For institutional adviser use only, not intended to be shared with retail clients.

## SMALL CAP EQUITY Composite Performance (%)

As of 3/31/2022	QTD	YTD	1 YEAR	3 YEAR*	5 YEAR*	10 YEAR*	SINCE INCEPTION* (3/31/91)
Glenmede (Gross)	0.0	0.0	14.0	18.1	12.2	13.2	11.7
Glenmede (Net)	-0.2	-0.2	12.9	17.0	11.1	12.1	10.9
Russell 2000 Index	-7.5	-7.5	-5.8	11.7	9.7	11.0	9.9

\*Annualized

Glenmede Investment Management, LP claims compliance with the Global Investment Performance Standards (GIPS®).

Glenmede Investment Management, LP, a registered Investment Advisor, is an affiliate of The Glenmede Trust Company, NA (GTC). The "Firm" is defined as all investment advisory accounts managed by Glenmede Investment Management LP. Effective January 1, 2007, the Investment Product Management Group of GTC became Glenmede Investment Management, LP. All performance prior to January 1, 2007, shown here as the performance of GIM, was previously reported as the performance of the Investment Product Management Group of the Glenmede Trust Company.

**Past performance is not indicative of future performance and may be lower or higher than the performance quoted.** All of the composites' valuations and returns are computed and stated in U.S. Dollars. Additional information regarding the Firm's policies for valuing portfolios, calculating performance and preparing compliant presentations, is available upon request. A GIPS® compliant presentation, as well as a complete list of firm composites and performance, can be requested from Jeffrey Coron at 215.419.6627. Please see the GIPS® presentation for further explanation.

The Small Cap Equity Composite objective is to provide maximum long-term total return consistent with reasonable risk to principal, by investing primarily in common stocks with market capitalization at the time of purchase less than the maximum capitalization permitted for a stock in the Russell 2000 Index. The Russell 2000 Index is an unmanaged, market value weighted index, which measures performance of the 2,000 companies that are between the 1,000th and 3,000th largest in the market. One cannot invest directly in an index.

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2022

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