
HIGHLIGHTS

- Equity markets (as represented by the S&P 500 Index) rose +8.7% during the quarter.
 - The Glenmede Equity Income strategy outperformed the Russell 1000 Value by +0.2% net of fees and underperformed the S&P 500 by -4.4% net of fees
 - The strategy continues to focus on its investment discipline of marrying durable businesses demonstrating appropriate capital allocation with attractive valuations.
-

The S&P 500 Index finished the quarter ending on June 30, 2023 with a total return of 8.7%. The Russell 1000 Value Index posted a solid, but more modest, 4.1% total return for the quarter, which was also more in line with the average S&P 500 stock's return of 3.8% during the period. The Value benchmark has much less exposure to the largest companies in the S&P 500, whose strong performance accounted for much of the return in the quarter and year-to-date. Those large companies benefitted from a combination of improving near-term earnings outlooks along with excitement about rapid advances in artificial intelligence ("AI"). That helped push their valuation multiples much higher as investors began to underwrite stronger future earnings. There was some moderate increase in market breadth later in the quarter as investors began to feel better about the overall economic outlook, but few other companies are currently seen as major beneficiaries from AI.

The Equity Income strategy returned 4.5% gross and 4.3% net for the quarter, 0.2% net of fees ahead of the Russell 1000 Value and -4.4% net of fees behind the S&P 500. Versus the S&P, the strategy had much less exposure to the large, growth leadership—as those stocks either pay no dividends today or have yields well below those the strategy seeks. Relative to the Value benchmark, the strategy had some modest benefit from both sector and stock selection. Outperformance was gained in the Information Technology, Health Care and Consumer Staples sectors, partially offset by the underperformance from Financials, Communication Services and Industrials sectors.

The overall market benefitted from increasing soft-landing expectations and an easing in inflationary pressures. Whether those expectation play out will be key to the increase in market breadth gaining more traction. There continues to be a segment of the market believing a recession and earnings contraction to be inevitable, so risks remain in staking out either position with high conviction. However, current market valuation levels would appear to leave more downside than upside risk to prices. The strategy continues to focus on its investment discipline of marrying durable businesses demonstrating appropriate capital allocation with attractive valuations. Regardless

of short-term economic scenarios, we believe this will allow the strategy to continue delivering competitive market returns while mitigating risk over the long-term.

EQUITY INCOME Composite Performance (%)

As of 6/30/2023	QTD	YTD	1 YEAR	3 YEAR*	5 YEAR*	10 YEAR*	SINCE INCEPTION* (12/31/04)
Glenmede (Gross)	4.5	4.1	15.2	14.3	10.7	11.4	9.7
Glenmede (Net)	4.3	3.7	14.3	13.4	9.8	10.6	8.8
S&P 500 Index	8.7	16.9	19.6	14.6	12.3	12.9	9.5
Russell 1000 Value Index	4.1	5.1	11.5	14.3	8.1	9.2	7.4

*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 GIM Client Service at 215.419.6662. Please see the GIPS® presentation for further explanation.

The Equity Income Composite objective is to invest in a diversified portfolio of common and preferred stocks that reward shareholders with dividend income. Companies held in the portfolio will be among industry leaders in dividend yield and possess the ability to raise the payout to shareholders over time. The S&P 500 Index consists of 500 widely held common stocks. This unmanaged index is a total return index with dividends reinvested. One cannot invest directly in an index.

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.

Views expressed include opinions of the portfolio managers as of June 30, 2023, based on the facts then available to them. All facts are gathered in good faith from public sources, but accuracy is not guaranteed. Nothing herein is intended as a recommendation of any security, sector or product. **Returns represent past performance and are not guarantees of future results.** Actual performance in a given account may be lower or higher than what is set forth above. All investment has risk, including risk of loss. Designed for professional and adviser use.

Q2
2023

1650 Market Street, Suite 1200 Philadelphia, PA 19103-7391
215-419-6662 | gimclientsupport@glenmede.com

glenmedeim.com

GLENMEDE
INVESTMENT MANAGEMENT