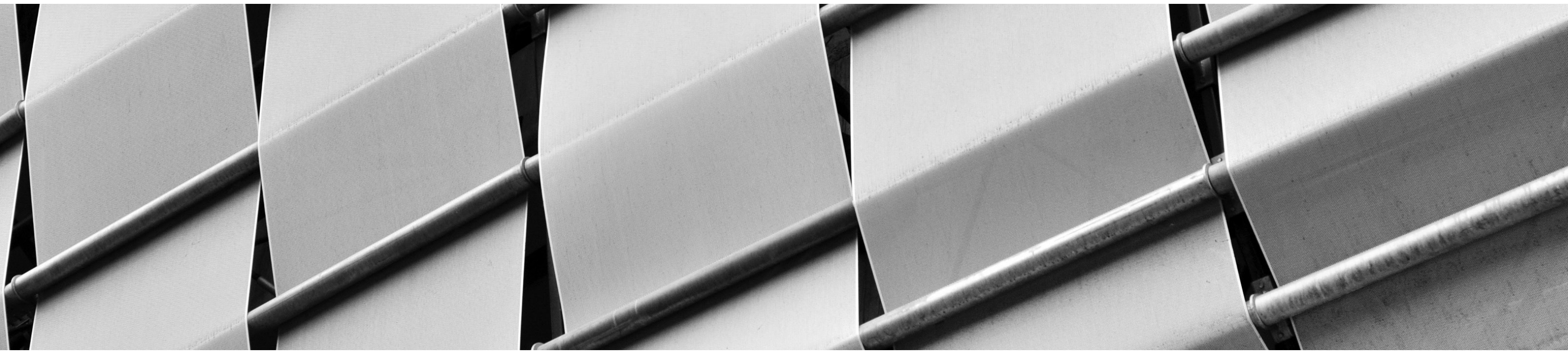
GLENMEDE
INVESTMENT MANAGEMENT

Q1 2024



EQUITY INCOME
QUARTERLY COMMENTARY

HIGHLIGHTS

- Equity markets (as represented by the S&P 500 Index) rose +10.6% during the quarter.
- The Glenmede Equity Income strategy underperformed the Russell 1000 Value by -2.4% net of fees and the S&P 500 by -4.0% net of fees
- The strategy's focus on more stable businesses gave it less exposure to some more cyclical companies in the benchmarks that saw more valuation expansion in the period.

Equity markets began the year continuing the rally that began towards the end of 2023. The S&P 500 Index finished the quarter ending March 31, 2024 with a total return of 10.6% and the Russell 1000 Value Index returning 9.0%. The artificial intelligence secular growth theme remained a tailwind, particularly for a few of the largest S&P 500 components. However, the breadth of the market was more easily seen by looking at the Value Index which was led by the performance of the more cyclical Energy, Financials and Industrials sectors. And, while the Real Estate sector was the only one to decline during the period, the laggards included the more traditionally defensive/stable Utilities, Health Care and Consumer Staples sectors.

The Equity Income strategy returned 6.6% (net) for the quarter, 2.4% behind the Russell 1000 Value and 4.0% behind the S&P 500. Stock selection was the main reason for the underperformance with the strategy's holdings in Industrials, Materials and Health Care generating lower returns than those in both benchmarks. The larger gap versus the S&P 500 Index performance was primarily driven by strong performance of a few large Communication Services and Information Technology stocks in that Index. But, more broadly, the strategy's focus on more stable businesses gave it less exposure to some more cyclical companies in the benchmarks that saw more valuation expansion in the period.

While the market dialed back its 2024 expectations for the degree of easing in monetary policy, it maintained conviction that its direction would remain the same. The belief that would allow for a soft-landing for the economy helped stock valuation levels move higher. This creates added risk if investor assumptions turn out wrong in some way. Over the past several months, the valuation uplift for stocks held by the strategy has been less than the broader market. While it is always difficult to identify when such moves have run their course, we remain convicted that over the longer-term prices will follow earnings and cash flow of the underlying companies. We continue to focus on owning durable businesses that combine appropriate capital allocation with attractive valuations. This should allow the strategy to continue to deliver competitive market returns while mitigating risk over the longer-term.

EQUITY INCOME Composite Performance (%)

As of 3/31/2024	QTD	YTD	1 YEAR	3 YEAR*	5 YEAR*	10 YEAR*	SINCE INCEPTION* (12/31/04)
Glenmede (Gross)	6.8	6.8	16.3	9.1	11.6	10.9	9.9
Glenmede (Net)	6.6	6.6	15.4	8.3	10.8	10.1	9.1
S&P 500 Index	10.6	10.6	29.9	11.5	15.1	13.0	10.1
Russell 1000 Value Index	9.0	9.0	20.3	8.1	10.3	9.0	7.9

**Annualized*

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.

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