



EQUITY INCOME QUARTERLY COMMENTARY

HIGHLIGHTS

- Equity markets (as represented by the S&P 500 Index) fell -4.3% during the quarter.
- The Glenmede Equity Income strategy performed inline with the Russell 1000 Value with a return of +2.1% net of fees and outperformed the S&P 500 by +6.4% net of fees
- The large gap compared to the S&P was primarily due to a lack of exposure to the largest components of that Index, which helped result in much stronger performance versus that benchmark in two of its weakest-performing sectors, Information Technology and Consumer Discretionary.

The S&P 500 Index declined for the quarter ending on March 31, 2025, beginning the year with a -4.3% return. The Russell 1000 Value Index, however, increased and had a total return of 2.1% for the quarter. Both indices were up a similar amount by the middle of the quarter and declined over the back half. The S&P underperformed more in that period, largely due to notable price declines among a few large growth stocks, which have a very heavy weighting in the Index. Away from those names, performance was more similar. Many of the stocks with the strongest momentum from last year saw larger declines, offset by investors moving money towards businesses viewed as more stable. The Energy sector, while not fitting the stable business narrative, posted the strongest gains. But other leading sectors in both indices, including Health Care, Consumer Staples and Utilities, largely fit this profile. Lagging sectors in both indices included Information Technology, Consumer Discretionary and Industrials. The proximate cause for the weakness later in the quarter appears to have been primarily driven by the new U.S. administration's policy actions. Swift changes around planned government spending, trade and foreign relations, among other actions, caught many by surprise and made predicting the net effect of all those actions difficult.

The Equity Income strategy returned 2.1% net of fees for the quarter. This was inline with the Russell 1000 Value and 6.4% ahead of the S&P 500. The large gap compared to the S&P was primarily due to a lack of exposure to the largest components of that Index, which helped result in much stronger performance versus that benchmark in two of its weakest-performing sectors, Information Technology and Consumer Discretionary. Strategy relative

performance was also very strong in Health Care and Utilities, while Financials was weaker. Versus the Value benchmark, which lacks similar concentration issues as the S&P 500, the strategy still enjoyed relatively better performance in Health Care and Utilities, but the offsets were more balanced with both its Financials and Information Technology holdings underperforming the corresponding sector in the benchmark.

The mood of the market has shifted significantly, reversing much of the optimism seen around the time of the U.S. election last year. As we enter the second quarter, policy changes continue to inject additional uncertainty into markets and the economy. The odds of the U.S. economy slowing meaningfully, or even entering a recession, in the coming quarters has risen. But the strategy does not attempt to position itself for a single economic outlook. Instead, we focus on owning durable businesses that combine appropriate capital allocation, including distributing cash dividends to shareholders, with attractive valuations. While many of these businesses will still be negatively impacted by any economic slow-down, we expect they will have the ability to come through any such challenges with their competitive positions intact or improved. We remain confident that such companies can compound value over time and deliver competitive market returns while also mitigating risk for their owners over the longer-term.

EQUITY INCOME Composite Performance (%)

As of 3/31/2025	QTD	YTD	1 YEAR	3 YEAR*	5 YEAR*	10 YEAR*	SINCE INCEPTION* (12/31/04)
Glenmede (Gross)	2.2	2.2	5.5	7.2	15.7	10.2	9.6
Glenmede (Net)	2.1	2.1	4.7	6.4	14.8	9.4	8.8
S&P 500 Index	-4.3	-4.3	8.3	9.1	18.6	12.5	10.0
Russell 1000 Value Index	2.1	2.1	7.2	6.6	16.1	8.8	7.9

*Annualized

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

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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. Net numbers are net of max allowable management fee for this strategy. 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.

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