

LONG/SHORT EQUITY*

QUARTERLY COMMENTARY

HIGHLIGHTS

- The Glenmede Long/Short Equity strategy, which targets a net equity exposure of 30%, outperformed its blended benchmark (30% Russell 3000 Index, 70% Barclays 30-month Treasury Bill) during the quarter by +1.7% net of fees.
- For the Quarter, the strategy had net positive contributions from multi-factor stock selection models, including biases towards lower valuations.
- The strategy had stock selection outperformance in 4 of 11 sectors versus the index. The most positive relative contributions were in the Consumer Discretionary and Information Technology sectors. The most negative relative contributions were in the Financials and Real Estate sectors.

The Glenmede Long/Short Equity Composite had a total return for the First Quarter 2025 of +1.0% (net of fees). The Long/Short Equity Composite outperformed a blended mix of the 30% Russell 3000 and 70% Barclays 3-Month Treasury Bill Indexes by about +1.7%. This strategy is managed to a net equity exposure of about 30%.

For the First Quarter 2025, the S&P 500 and Russell 3000 Indexes had total returns of -4.3% and -4.7%, respectively. Investor sentiment turned negative as stagflation risks increased from tariff uncertainty, DOGE, geopolitics, weaker economic and higher inflation data. Stock market volatility as measured by the CBOE VIX increased from about 19.6 to 22.3. The Magnificent 7 underperformed with a combined return of about -9.2%. The Russell 3000 Value Index (+1.6%) outperformed the Russell 1000 Growth Index (-10.0%) by about +11.6%. The best performing sectors in the Russell 3000 Index were Energy (+8.0%) and Utilities (+5.2%). The worst performing sectors were Consumer Discretionary (-13.3%) and Information Technology (-13.0%).

For the Quarter, the strategy had net positive contributions from multi-factor stock selection models, including biases towards lower valuations. Outperforming factors included dividend yield, Price/Earnings, earnings growth, return on equity, profit margins, share repurchase, and market size. Underperforming factors included interest coverage and trading volume/liquidity. The strategy benefitted from relative underexposures to the Magnificent 7 but was unfavorably impacted by lower relative market capitalizations versus the Russell 3000 Index. The average stock (equal-weighted) in the Russell 3000 Index had a total return of about -9.1%. For fourth quarter earnings, about 80% of the portfolio long positions reported positive EPS surprises versus about 67% of Russell 3000 constituents. In the First Quarter 2025, the strategy had stock selection outperformance in 4 of 11 sectors versus the Index. The most positive relative contributions were in the Consumer Discretionary and Information Technology sectors. The most negative relative

*Prior to 12/31/2024, the strategy was known as Glenmede Quantitative U.S. Long/Short Equity.

contributions were in the Financials and Real Estate sectors. Industry group biases had minor impacts on performance. Long equity positions had a total return of -2.8% versus short positions with a total return of -5.0%.

The latest U.S. real GDP estimate for Fourth Quarter was +2.4% versus +3.1% for the Third Quarter. The Fourth Quarter reflected gains in personal consumption expenditures (+4.0%) and gross government spending (+3.1%). Detractors included gross private domestic investment (-5.6%) and exports (-0.2%). For 2025, many economists project real GDP growth of 0% to 2% and CPI of about 2.5% to 3.5%. We expect positive corporate profit growth supported by high employment, declining inflation, and prudent Fed monetary policy. However, trade tariffs, fiscal policies and geopolitical risks can have significant global economic and financial impacts. Currently, our leading industry group indicators target overweightings in Health Care, Energy, Consumer Discretionary and Real Estate, and underweightings in Consumer Staples, Communication Services, Financials and Utilities. In comparison to last quarter, Consumer Discretionary strengthened with better Gross Profits/Enterprise Value and Price/Sales ratios while Consumer Staples weakened from increasing valuations (relative Price/Book), decreasing relative earnings growth, and higher home prices. Both Industrials and Information Technology improved to neutral target weightings. Industrials strengthened from increasing global industrial production (Japan), lower valuations (Price/Book), and improved earnings estimate revisions. Information Technology strengthened from decreased valuations (Price/Sales) and better relative liquidity. We believe this strategy is well positioned with its multifactor approach favoring stocks with more attractive valuations, high cash flows, strong fundamentals, positive earnings/revenue estimate trends and favorable technicals.

¹The "Magnificent Seven" stocks are a group of high-performing and influential companies in the U.S. stock market. The list includes: Apple, Microsoft, Amazon, Alphabet (Google), Tesla and Nvidia.

LONG/SHORT EQUITY Composite Performance (%)

As of 3/31/2025	QTD	YTD	1 YEAR	3 YEAR*	5 YEAR*	10 YEAR*	SINCE INCEPTION* (11/30/06)
Glenmede (Gross)	1.3	1.3	9.9	8.5	12.0	5.4	4.5
Glenmede (Net)	1.0	1.0	8.6	7.1	10.6	4.1	3.3
Russell 3000 Index	-4.7	-4.7	7.2	8.2	18.2	11.8	9.7
30% Russell 3000/70% Barclays Capital 3-Month TBill	-0.6	-0.6	6.0	5.9	7.5	5.1	4.2

*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 Glenmede Long/Short Equity Composite objective is to use long and short equity positions based on proprietary multi-factor stock ranking models, overlaid with upside and downside risk screens, to achieve long-term capital appreciation consistent with reasonable risk to principal. The Russell 3000 Index is an unmanaged, market value weighted index, which measures total return performance of the 3,000 companies that are largest in the market. One cannot invest directly in an index. **Prior to 12/31/2024, the strategy was known as Glenmede Quantitative U.S. Long/Short Equity.**

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