

DISCIPLINED U.S. SMALL CAP EQUITY

QUARTERLY COMMENTARY

HIGHLIGHTS

- Small Capitalization stocks (as represented by the Russell 2000 Index) rose +12.4% during the quarter.
- The Glenmede Disciplined U.S. Small Cap Equity strategy underperformed the Russell 2000 Index by -1.6% net of fees for the quarter.
- The strategy had stock selection outperformance in 4 of 11 sectors versus the index. The most positive relative contributions were in the Financials and Consumer Discretionary sectors. The most negative relative contributions were in the Information Technology and Materials sectors.

The Glenmede Disciplined U.S. Small Cap Equity Composite had a total return for Third Quarter 2025 of +10.8% (net of fees). On a relative basis, the Disciplined U.S. Small Cap Equity Composite underperformed the Russell 2000 Index by -1.6%.

For the Third Quarter 2025, S&P 600 and Russell 2000 Indexes had total returns of +9.1% and +12.4%, respectively. Many U.S. equity indexes reached record highs, boosted by investor exuberance in AI related stocks, progress in tariff negotiations, and better-than-expected economic growth. The Fed initiated an expected interest rate cut in September. About 64% of Russell 2000 companies reported positive earnings surprises for the second quarter. Stock market volatility as measured by the CBOE VIX decreased from about 16.7 to 16.3. Russell 2000 constituents with negative earnings had a total return of +18.8% and contributed about 38% (465 basis points) of the total return for the Index. The best performing sectors in the Russell 2000 Index were Materials (+25.6% return) and Industrials(+16.7% return). The worst performing sectors were Consumer Staples (+1.8% return) and Financials (+4.3%).

For the Third Quarter, the strategy had net positive contributions from multi-factor stock selection models. Outperforming factors included price/book, earnings growth, trading volume/liquidity and price momentum. Underperforming factors included dividend yield, price/earnings, price/cash flow, return on equity, share repurchases and earnings estimate revisions. The strategy was negatively impacted from underexposures to negative earners (+18.8% return) in the Russell 2000 Index. For Second Quarter earnings, about 79% of the portfolio holdings reported positive EPS surprises. In the Third Quarter 2025, the strategy had stock selection outperformance in 4 of 11 sectors versus the index. The most positive relative contributions were in the Financials and Consumer Discretionary sectors. The most negative relative contributions were in the Information Technology and Materials sectors. Industry group biases had net positive impacts on performance, including relative overweightings of Health Care and underweightings of Consumer Staples stocks.

The latest estimate of U.S. real GDP for Second Quarter increased to +3.8% versus -0.6% for the First Quarter. The Second Quarter reflected gains in personal consumption expenditures (+2.5%) and a sharp decline in imports (-29.3%). Detractors included gross investment (-13.8%), exports (-1.8%) and federal nondefense spending (-13.0%). For full years 2025 and 2026, many economists project real GDP growth of +1% to +2% and CPI of about 2.5% to 3.5%, respectively. We expect positive corporate profit growth supported by increased productivity, consumer spending, relatively stable inflation, and prudent Fed monetary policy. However, trade tariffs, a prolonged government shutdown, fiscal policies and geopolitical risks can have significant global economic and financial impacts. Currently, our leading industry group indicators target overweightings in Health Care, Real Estate, Energy and Materials, and underweightings in Communication Services, Consumer Staples, Financials and Consumer Discretionary. In comparison to last quarter, Consumer Discretionary decreased from a modest overweight to a modest underweight (Retail and Durables). For Retail, dividend yield and P/E/G ratios weakened relative to the market, while inventory/sales ratios of nonmanufacturers increased. For Durables, price/sales and gross profits/enterprise value deteriorated on a relative basis. Consumer Staples (Household and Personal Products) turned less negative to a modest underweight with relative improvements in price/book ratios and more positive EPS estimate revisions (Fiscal Year 2). Information Technology (Software and Hardware) decreased to neutral. For Software, Return on Equity, P/E/G ratios, and Free Cash Flow margins deteriorated on a relative basis. For Hardware, gross profitability and taxes paid/market value declined relative to the market. Utilities improved to neutral with increases in the CPI for services and consumer confidence. 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.

Disciplined U.S. Small Cap Equity Composite Performance (%)

As of 9/30/2025	QTD	YTD	1 YEAR	3 YEAR*	5 YEAR*	10 YEAR*	SINCE INCEPTION* (11/30/17)
Glenmede (Gross)	11.1	6.4	3.8	17.0	17.7	n/a	10.1
Glenmede (Net)	10.8	5.6	2.7	15.9	16.5	n/a	9.1
Russell 2000 Index	12.4	10.4	10.8	15.2	11.6	n/a	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.

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 gimclientservices@glenmede.com. Please see the GIPS® presentation for further explanation.

The Glenmede Disciplined U.S. Small Cap Equity Composite objective is to provide maximum long-term return with reasonable risk to principal, by investing in domestic stocks of the Russell 2000 universe. 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. Prior to 12/31/2024, the strategy was known as Glenmede Quantitative U.S. Small Cap Equity.

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 September 30, 2025, 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.