



## TOTAL MARKET PLUS EQUITY QUARTERLY COMMENTARY

### HIGHLIGHTS

- Equities (as represented by the Russell 3000 Index) rose +2.4% during the quarter.
- The Glenmede Total Market Plus Equity strategy outperformed the Russell 3000 Index by +2.1% net of fees for the quarter.
- The strategy had stock selection outperformance in 6 of 11 sectors versus the index. The most positive relative contributions were in the Information Technology and Consumer Discretionary sectors. The most negative relative contributions were in the Industrials and Consumer Staples sectors.

The Glenmede Total Market Plus Equity Composite had a total return for Fourth Quarter 2025 of +4.5% (net of fees). On a relative basis, the Total Market Plus Equity Composite outperformed the Russell 3000 Index by a spread of about +2.1%.

For the Fourth Quarter 2025, S&P 500 and Russell 3000 Indexes had total returns of +2.7% and +2.4%, respectively. The benchmark indexes reached new record highs, boosted by better-than-expected economic growth, strong corporate earnings, progress in tariff negotiations and two Fed rate cuts. About 70% of Russell 3000 companies reported positive earnings surprises for the Third Quarter. Stock market volatility as measured by the CBOE VIX decreased from about 16.3 to 15.0. Three names (Alphabet, Apple and Eli Lilly) contributed about 82% (198 basis points) of the total return for the Russell 3000 Index. The Russell 3000 Value Index (+3.8%) outperformed the Russell 3000 Growth Index (+1.1%) by about +2.6%. The best performing sectors in the Russell 3000 Index were Health Care (+11.7%) and Communication Services (+6.1%). The worst performing sectors were Real Estate (-2.3%) and Utilities (-1.5%).

For the Fourth Quarter, the strategy had net positive contributions from multi-factor stock selection models. Outperforming factors included earnings estimate revisions, EV/EBITDA, interest coverage, price/earnings and earnings growth. Underperforming factors included price momentum, price/sales, dividend yield and trading volume/liquidity. The strategy was negatively impacted from relatively lower market capitalizations versus the Russell 3000 Index. For Third Quarter earnings, about 93% of the portfolio long positions reported positive EPS surprises. In the Fourth Quarter 2025, the strategy had stock selection outperformance in 6 of 11 sectors versus the index. The most positive relative contributions were in the Information Technology and Consumer Discretionary sectors. The most negative relative contributions were in the Industrials and Consumer Staples sectors. Industry group biases had net positive impacts on performance, including relative overweights of Health Care and underweights of Consumer Staples stocks. Long equity positions with a total return of +3.6% outperformed the short positions with a total return of -0.7%.

The initial estimate of U.S. real GDP for Third Quarter was +4.3% versus +3.8% for the Second Quarter. The Fourth Quarter reflected gains in personal consumption expenditures (+3.5%), federal defense expenditures (+5.8%), exports (+8.8%) and

decline in imports (-4.7%). Detractors included gross investment (-0.3%) and federal nondefense spending (-1.1%). For 2026, many economists project real GDP growth of +1.5% to +2.5% 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, another government shutdown, fiscal policies and geopolitical risks can have significant global economic and financial impacts. Currently, our leading industry group indicators target overweights in Health Care, Real Estate, Energy and Materials, and underweights in Communication Services, Financials and Consumer Discretionary. In comparison to last quarter, the relative performance of defensive sectors may benefit from weakness in industrial materials (FIBER index) and stagnating home prices. Consumer Staples improved from a modest underweight to neutral with relatively better call transcript sentiment, earnings estimate revisions and lower valuations, Communications Services improved from a strong to moderate underweight, benefitting from relatively lower capital expenditures for telecommunications companies, better earnings quality and profitability in media. Financials remained modestly underweight with banks weakening on lower building permits and inflating valuations (book/price with intangibles, dividend yield), while insurance improved based on better proprietors' income for private enterprises and relative dividend yield. 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.

The "Magnificent 7" 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.

## TOTAL MARKET PLUS EQUITY Composite Performance (%)

As of 12/31/2025	QTD	YTD	1 YEAR	3 YEAR*	5 YEAR*	10 YEAR*	SINCE INCEPTION* (12/31/06)
Glenmede (Gross)	4.7	19.9	19.9	15.6	14.0	12.7	9.7
Glenmede (Net)	4.5	18.7	18.7	14.4	12.8	11.4	8.4
Russell 3000 Index	2.4	17.1	17.1	22.2	13.2	14.3	10.5

\*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. 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](mailto:gimclientservices@glenmede.com). Please see the GIPS® presentation for further explanation.

The Glenmede Total Market Plus 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 of select domestic all cap stocks consistent with reasonable risk to principal. The short positions involve a form of leveraging securities which involves risk that losses may exceed the original amount invested. Under normal circumstances, the strategy will generally have an operating target of 130% of net assets in long positions, and 30% of net assets in short positions. 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. Total Market 130/30 Equity.

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