GLENMEDE
INVESTMENT MANAGEMENT

Q1 2026

ENERGY RESILIENCE
QUARTERLY COMMENTARY

HIGHLIGHTS

- Large Capitalization stocks (as represented by the Russell 1000 Index) fell -4.2% during the quarter.
- The Glenmede Energy Resilience strategy outperformed the Russell 1000 Index by +10.3% net of fees for the quarter.
- The strategy had stock selection outperformance in 5 of 7 sectors versus the index. The most positive relative contributions were in the Information Technology and Financials sectors. The negative relative contributions were in the Industrials and Real Estate sectors.

The Glenmede Energy Resilience portfolio had a total return for First Quarter 2026 of +6.1% (net of fees). On a relative basis, the portfolio outperformed the Russell 1000 Index by about +10.3%. This strategy is managed to invest in companies that directly drive this energy transition or indirectly contribute to energy resiliency are well positioned for long-term growth.

For the First Quarter 2026, S&P 500 and Russell 1000 Indexes had total returns of -4.3% and -4.2%, respectively. Investor sentiment turned sharply negative from the onslaught of war with Iran and the surge in oil prices above $100/bbl. Stock market volatility as measured by the CBOE VIX jumped from about 15 to over 25. In February, the Supreme Court ruled against President Trump's use of tariffs as an emergency power. For Fourth Quarter earnings, about 73% of Russell 1000 companies reported positive earnings surprises versus about 80% for the prior quarter. In the First Quarter, technology related companies were impacted by AI disruption fears. The Magnificent 7 had a combined return of -11.3% and detracted 356 bps from the total return of the Russell 1000 Index. The Russell 1000 Value Index (+2.1%) outperformed the Russell 1000 Growth Index (-9.8%) by about +11.9%. The best performing sectors in the Russell 1000 Index were Energy (+38.4%) and Materials (+9.9%). The worst performing sectors were Financials (-9.5%) and Consumer Discretionary (-9.3%).

For the First Quarter, the strategy had net positive contributions from multi-factor stock selection models, notably from valuation metrics. Energy resilience screens had favorable impacts. The strategy was positively impacted from relative underexposures to the Magnificent 7 and lower market capitalizations versus the Russell 1000 Index. In the First Quarter 2026, The strategy had stock selection outperformance in 5 of 7 sectors versus the index. The most positive relative contributions were in the Information Technology and Financials sectors. The negative relative contributions were in the Industrials and Real Estate sectors. Industry group biases had net positive impacts on performance, including relative overweightings of Materials and Utilities, and underweightings of Consumer Discretionary and Communication Services stocks.

The latest estimate of U.S. real GDP for Fourth Quarter reflected a decrease to +0.7% versus +4.4% for the Third Quarter and was impacted by the partial U.S. government shutdown. The Fourth Quarter reflected gains in personal consumption expenditures (+2.0%), nonresidential fixed investment (+2.2%), and a decline in imports (-1.1%). Detractors included federal expenditures (-16.7%), residential investment (-0.5%) and decline in exports (-3.3%). For 2026, many economists project real GDP growth of +2% to +3% and CPI of about 2.5% to 3.0%, respectively. We expect positive corporate profit growth supported by increased productivity, consumer spending, relatively stable inflation, and prudent Fed monetary policy. However, a prolonged conflict in the Middle East and other geopolitical risks can have significant global economic and financial impacts. Currently, our leading industry group indicators target overweightings in Health Care, Real Estate and Consumer Staples, and underweightings in Industrials, Financials and Utilities. We believe this strategy with an energy resilience focus 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.

ENERGY RESILIENCE Composite Performance (%)

As of 3/31/2026	QTD	YTD	1 YEAR	3 YEAR*	5 YEAR*	10 YEAR*	SINCE INCEPTION* (10/31/25)
Glenmede (Gross)	6.3	6.3	n/a	n/a	n/a	n/a	8.3
Glenmede (Net)	6.1	6.1	n/a	n/a	n/a	n/a	8.0
Russell 1000 Index	-4.2	-4.2	n/a	n/a	n/a	n/a	-9.3

*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 Energy Resilience Composite objective is to provide maximum long-term return with reasonable risk to principle, by investing in domestic stocks of the Russell 1000 and Standard & Poor’s 500 universes and in large cap ADRs. The strategy is managed to exclude companies that don’t meet minimum revenue, financing, or consumption based thresholds associated with green solutions.

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