GLENMEDE
INVESTMENT MANAGEMENT

Q2 2026

DISCIPLINED INTERNATIONAL EQUITY
QUARTERLY COMMENTARY

HIGHLIGHTS

- International stocks (as represented by the MSCI World ex U.S. Index) rose +10.2% during the quarter.
- The Glenmede Disciplined International Equity strategy underperformed the MSCI World ex U.S. Index by -4.0% for the quarter net of fees.
- The strategy reflected stock selection outperformance in 4 of 11 sectors relative to the MSCI World ex U.S. Index. The most positive relative performances were in the Industrials and Utilities sectors. The most negative relative performances were in the Information Technology and Health Care sectors.

The Glenmede Disciplined International Equity Composite had a total return for Second Quarter 2026 of +6.2% (net of fees). On a relative basis, the Disciplined International Equity Composite underperformed the MSCI World ex U.S. Index by a spread of -4.0%.

In the Second Quarter 2026, the MSCI World ex U.S. Index had a total return of +10.2% (US$ equivalent). Information Technology stocks led the surge in equity markets with many indexes reaching new record highs. Despite ongoing issues with Iran and inflation concerns, investor sentiment was boosted by AI exuberance in semiconductor and hardware stocks. In the quarter, crude oil prices fell by about 25% and stock market volatility as measured by the CBOE VIX declined to about 16 versus over 25 at prior quarter end. In the past 90 days, many street analysts have raised their 2026 and 2027 EPS estimates for MSCI EAFE companies (57% positive revisions). The MSCI EAFE Growth Index (+14.5%) outperformed the MSCI EAFE Value Index (+7.5%) by about +7.0%. For the Quarter, the best performing sectors in the MSCI World xUS Index were Information Technology (+48.9%) and Financials (+16.0%). The worst performing sectors were Energy (-12.9%) and Communication Services (-1.6%). The best performing countries in the MSCI World xUS Index were Netherlands (+34.0%), Austria (+23.3%) and Italy (+18.8%), and the worst performing countries were Norway (-13.5%), Hong Kong (-5.9%) and Israel (-0.7%).

For the Second Quarter, the strategy was negatively impacted from relatively lower market capitalizations versus the MSCI World ex USA Index. The strategy had net negative contributions from multi-factor stock selection models, notably valuation metrics. Underperforming factors included price/earnings, price/cash flow, dividend yield, share repurchase, earnings growth, margin-related and return on equity. Outperforming factors included interest coverage, earnings estimate revisions and trading volume/liquidity. The strategy reflected stock selection outperformance in 4 of 11 sectors relative to the MSCI World ex U.S. Index. The most positive relative performances were in the Industrials and Utilities sectors. The most negative relative performances were in the Information Technology and Health Care sectors. Industry group biases had net negative impacts on performance, including overweightings of Health Care and underweightings of Information Technology stocks. Country allocations had net negative impacts on performance, including overweightings in Hong Kong and underweightings in Netherlands stocks.

Although recession and inflation risks remain elevated, economic data has been relatively stable in Europe and Japan. For 2026 and 2027, many economists project real GDP growth of +0.5% to +1.5% and consumer price inflation of +2.0% to +3.5% for EU, UK & Japan, respectively. We expect positive corporate earnings growth supported by consumer spending, increased productivity, relatively stable inflation, prudent fiscal policy and monetary actions. However, a prolonged war in the Middle East, other geopolitical risks and trade tariffs can have significant global economic and financial impacts. Currently, our leading industry group indicators target overweightings in Health Care, Industrials, Energy and Real Estate, and underweightings in Consumer Staples, Communication Services and Information Technology. In comparison to last quarter, Energy increased as oil inventories declined and option adjusted spreads widened (less optimism priced into energy companies). Financials (Banks) improved with increases in building permits and more favorable relative price/book. Industrials improved as U.S. and Japanese industrial production strengthened and positive earnings estimate revisions. Utilities increased based on stronger economic data (increases in job openings, inflation and mutual fund flows), relative price/book and return on equity metrics. Consumer Staples decreased with higher energy and materials prices, lower profitability metrics and reduced expected growth. Real Estate decreased with higher food prices, transportation costs, mortgage interest and debt/equity ratios. Information Technology (Hardware) decreased with price appreciation and higher valuations (profits to enterprise value, taxes paid to market value). Currently, our leading region indicators target modest overweightings for Japan and United Kingdom, and underweightings for Europe and Middle East. In comparison to last quarter, Japan remained modestly overweight based on higher demand for nonferrous metals (sign of manufacturing strength), partially offset by weaker gross profits per unit of enterprise value. Europe decreased to a strong underweight with declines in target prices from sell-side analysts and deteriorating asset turnover. The USA increased to a strong overweight supported by positive earnings estimates revisions. 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 INTERNATIONAL EQUITY Composite Performance (%)

As of 6/30/2026	QTD	YTD	1 YEAR	3 YEAR*	5 YEAR*	10 YEAR*	SINCE INCEPTION* (3/31/2021)
Glenmede (Gross)	6.3	9.9	26.1	22.1	13.4	n/a	13.8
Glenmede (Net)	6.2	9.6	25.2	21.2	12.6	n/a	13.0
MSCI World, ex US	10.2	9.2	21.0	16.9	9.3	n/a	10.0

**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 MSCI World ex US Index is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US. The MSCI World ex US Index consists of the following 22 developed market country indices: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom. One cannot invest directly in an index. One cannot invest directly in an index. Prior to 12/31/2024, the strategy was known as Glenmede Quantitative International Equity.

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