



Philadelphia Gas Works Pension Plan

Monthly Performance Review For the Period Ended May 31, 2020

Client Management Team

Marc Ammaturo, Managing Director
Alexander Goldsmith, Senior Managing Consultant
Amy Otten, Sr. Client Services Analyst

PFM Asset Management LLC

1735 Market Street
43rd Floor
Philadelphia, PA 19103
215-567-6100

Asset Allocation & Performance - Preliminary

| | Allocation | | Performance(%) | | | | | | | | | |
|--------------------------------------|--------------------|---------------|----------------|--------------|----------------------|---------------|--------------|--------------|-------------|--------------|-----------------|-------------------|
| | Market Value (\$) | % | 1 Month | 1 Quarter | Jul-2019 To May-2020 | Year To Date | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception | Inception Date |
| Total Fund | 520,162,238 | 100.00 | 3.30 | -0.26 | 0.75 | -5.90 | 5.80 | 5.45 | 5.56 | 7.98 | 8.02 | 01/01/1987 |
| <i>Total Fund TMI</i> | | | 3.22 | 1.22 | 3.31 | -3.39 | 8.28 | 6.35 | 6.14 | 8.47 | 8.22 | 01/01/1987 |
| Combined Large Cap | 205,070,795 | 39.42 | 5.14 | 3.67 | 5.08 | -4.70 | 12.37 | 10.35 | 9.51 | 12.24 | 9.42 | 01/01/1987 |
| <i>Russell 1000 Index</i> | | | 5.28 | 3.44 | 5.16 | -4.91 | 12.54 | 10.09 | 9.58 | 13.07 | 10.35 | 01/01/1987 |
| Rhumblin Advisers | 117,366,092 | 22.56 | 5.29 | 3.74 | 5.53 | -4.45 | 12.89 | 10.19 | 9.58 | N/A | 10.14 | 08/01/2014 |
| <i>Russell 1000 Index</i> | | | 5.28 | 3.44 | 5.16 | -4.91 | 12.54 | 10.09 | 9.58 | 13.07 | 10.14 | 08/01/2014 |
| Northern Trust | 27,221,770 | 5.23 | 5.29 | 3.33 | 5.04 | -4.94 | 12.28 | 9.89 | 9.46 | N/A | 9.25 | 12/01/2014 |
| <i>Russell 1000 Index</i> | | | 5.28 | 3.44 | 5.16 | -4.91 | 12.54 | 10.09 | 9.58 | 13.07 | 9.33 | 12/01/2014 |
| PineBridge | 60,482,933 | 11.63 | 4.80 | 3.23 | 3.66 | -5.55 | 10.78 | N/A | N/A | N/A | 7.60 | 11/01/2017 |
| <i>S&P 500</i> | | | 4.76 | 3.59 | 5.41 | -4.97 | 12.84 | 10.23 | 9.86 | 13.15 | 8.85 | 11/01/2017 |
| Combined Small Cap | 42,645,725 | 8.20 | 5.12 | -7.44 | -10.81 | -18.13 | -5.06 | 2.44 | 4.24 | 9.62 | 9.42 | 03/01/1994 |
| <i>Russell 2000 Index</i> | | | 6.51 | -5.18 | -9.81 | -15.95 | -3.44 | 1.98 | 3.72 | 9.23 | 7.98 | 03/01/1994 |
| Copeland Small Cap Dividend Growth | 21,923,623 | 4.21 | 5.92 | -6.17 | N/A | -15.49 | N/A | N/A | N/A | N/A | -10.22 | 08/01/2019 |
| <i>Russell 2000 Index</i> | | | 6.51 | -5.18 | -9.81 | -15.95 | -3.44 | 1.98 | 3.72 | 9.23 | -10.33 | 08/01/2019 |
| Rhumblin Small Cap Core | 20,722,102 | 3.98 | 4.28 | -8.74 | N/A | -20.75 | N/A | N/A | N/A | N/A | -15.32 | 08/01/2019 |
| <i>S&P SmallCap 600</i> | | | 4.31 | -8.77 | -14.48 | -20.81 | -8.11 | 0.32 | 3.93 | 10.02 | -15.44 | 08/01/2019 |
| Combined International Equity | 97,806,618 | 18.80 | 2.87 | -5.80 | -9.93 | -15.78 | -4.15 | -0.70 | 1.29 | 4.62 | 3.91 | 10/01/1989 |
| <i>MSCI AC World ex USA (Net)*</i> | | | 3.27 | -4.99 | -8.92 | -14.85 | -3.43 | -0.24 | 0.79 | 4.38 | 4.49 | 10/01/1989 |
| Acadian ACW ex US | 34,039,868 | 6.54 | 3.02 | -1.70 | -5.82 | -11.46 | 0.65 | N/A | N/A | N/A | 0.65 | 06/01/2019 |
| <i>MSCI AC World ex USA (Net)</i> | | | 3.27 | -4.99 | -8.92 | -14.85 | -3.43 | -0.24 | 0.79 | 4.38 | -3.43 | 06/01/2019 |
| EARNEST Partners International | 30,351,283 | 5.83 | 2.16 | -10.74 | -15.30 | -21.10 | -9.96 | N/A | N/A | N/A | -9.96 | 06/01/2019 |
| <i>MSCI AC World ex USA (Net)</i> | | | 3.27 | -4.99 | -8.92 | -14.85 | -3.43 | -0.24 | 0.79 | 4.38 | -3.43 | 06/01/2019 |
| Rhumblin International | 33,415,467 | 6.42 | 3.38 | -5.06 | -8.74 | -14.80 | -3.17 | N/A | N/A | N/A | -3.17 | 06/01/2019 |
| <i>MSCI AC World ex USA (Net)</i> | | | 3.27 | -4.99 | -8.92 | -14.85 | -3.43 | -0.24 | 0.79 | 4.38 | -3.43 | 06/01/2019 |

Returns are net of fees.

Returns are expressed as percentages.

All data and performance shown prior to 4/01/16 is based on information supplied by previous consultant.

Fiscal year end for Sinking Fund is June 30th; Fiscal year end for PGW entity is August 31st."T" indicates the manager has been terminated.



Asset Allocation & Performance - Preliminary

| | Allocation | | Performance(%) | | | | | | | | | |
|--|--------------------|--------------|----------------|-------------|----------------------|--------------|-------------|-------------|-------------|-------------|-----------------|-------------------|
| | Market Value (\$) | % | 1 Month | 1 Quarter | Jul-2019 To May-2020 | Year To Date | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception | Inception Date |
| Combined Fixed Income | 174,639,089 | 33.57 | 1.03 | 0.56 | 6.14 | 3.46 | 7.57 | 4.44 | 3.64 | 4.10 | 6.06 | 07/01/1987 |
| <i>Fixed Income Blended Benchmark</i> | | | 0.80 | 1.27 | 7.34 | 4.63 | 8.78 | N/A | N/A | N/A | 6.96 | 04/01/2018 |
| <i>Blmbg. Barc. U.S. Aggregate</i> | | | 0.47 | 1.65 | 8.06 | 5.47 | 9.42 | 5.07 | 3.94 | 3.92 | 6.32 | 07/01/1987 |
| Weaver C. Barksdale & Associates | 42,604,099 | 8.19 | 0.46 | 1.13 | 7.79 | 4.89 | 9.35 | 5.26 | 4.16 | 4.38 | 5.59 | 10/01/1997 |
| <i>Barclays Aggregate**</i> | | | 0.47 | 1.65 | 8.06 | 5.47 | 9.42 | 5.07 | 3.94 | 4.05 | 5.20 | 10/01/1997 |
| MetLife Fixed Income | 39,446,325 | 7.58 | 0.92 | 0.77 | 7.84 | 4.75 | 9.30 | 5.40 | 4.51 | N/A | 4.38 | 12/01/2014 |
| <i>Blmbg. Barc. U.S. Aggregate</i> | | | 0.47 | 1.65 | 8.06 | 5.47 | 9.42 | 5.07 | 3.94 | 3.92 | 3.78 | 12/01/2014 |
| MetLife Inv. Grade Credit | 15,253,251 | 2.93 | 2.37 | -0.89 | 6.43 | 2.24 | 8.70 | N/A | N/A | N/A | 5.42 | 07/01/2017 |
| <i>Blmbg. Barc. U.S. Credit 5-10 Year Index</i> | | | 2.19 | -0.45 | 6.81 | 3.02 | 9.23 | 5.53 | 4.79 | 5.64 | 5.73 | 07/01/2017 |
| Lazard Asset Management | 31,676,135 | 6.09 | 0.50 | 1.42 | 5.67 | 4.10 | 6.74 | 4.00 | 3.21 | N/A | 3.39 | 03/01/2011 |
| <i>Blmbg. Barc. U.S. Intermediate Aggregate</i> | | | 0.56 | 1.68 | 6.17 | 4.24 | 7.18 | 4.05 | 3.17 | 3.23 | 3.16 | 03/01/2011 |
| Garcia Hamilton & Associates | 33,753,879 | 6.49 | 0.88 | 1.46 | 5.59 | 3.78 | 6.46 | 3.80 | 3.22 | N/A | 3.81 | 07/01/2010 |
| <i>Blmbg. Barc. Intermed. U.S. Government/Credit</i> | | | 0.76 | 1.73 | 6.46 | 4.63 | 7.60 | 4.15 | 3.21 | 3.20 | 3.09 | 07/01/2010 |
| Sky Harbor Capital Management | 11,905,400 | 2.29 | 3.68 | -4.74 | -1.92 | -5.90 | 0.21 | N/A | N/A | N/A | 2.48 | 04/01/2018 |
| <i>Blmbg. Barc. U.S. Corp: High Yield</i> | | | 4.41 | -3.39 | -0.94 | -4.73 | 1.32 | 3.04 | 4.27 | 6.71 | 3.42 | 04/01/2018 |
| Cash Equivalent | | | | | | | | | | | | |
| Wells Fargo Government Money Market | 11 | 0.00 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 04/01/2012 |
| CUSTODY Cash Only*** | 14,793,876 | 2.84 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 07/01/2015 |

*Performance shown prior to 1/2001: MSCI AC World ex USA.

**Performance shown prior to 6/2012: Barclays U.S. Gov't/Credit Index.

***Custody Cash account balance is not included in the total fund market value.

Returns are net of fees.

Returns are expressed as percentages.

All data and performance shown prior to 4/01/16 is based on information supplied by previous consultant.

Fiscal year end for Sinking Fund is June 30th; Fiscal year end for PGW entity is August 31st."T" indicates the manager has been terminated.



Historical Hybrid Composition - Total Fund TMI

| Allocation Mandate | Weight (%) |
|---|------------|
| Jan-1985 | |
| FTSE World Government Bond Index | 3.0 |
| FTSE World Government Bond Index (Hedged) | 3.0 |
| S&P 500 | 36.0 |
| Russell 2000 Index | 7.5 |
| MSCI EAFE (net) | 12.5 |
| Blmbg. Barc. U.S. Aggregate | 34.0 |
| Blmbg. Barc. U.S. Gov't/Credit | 4.0 |
| Oct-2001 | |
| FTSE World Government Bond Index | 3.8 |
| FTSE World Government Bond Index (Hedged) | 3.8 |
| Russell 1000 Index | 35.0 |
| Russell 2000 Index | 7.5 |
| MSCI EAFE (net) | 7.5 |
| Fixed Income Target | 42.5 |
| Apr-2003 | |
| Russell 1000 Index | 35.0 |
| Russell 2000 Index | 7.5 |
| MSCI EAFE (net) | 7.5 |
| Fixed Income Target | 50.0 |
| Dec-2003 | |
| Russell 1000 Index | 42.0 |
| Russell 2000 Index | 9.0 |
| MSCI EAFE (net) | 9.0 |
| Fixed Income Target | 40.0 |

| Allocation Mandate | Weight (%) |
|-----------------------------|------------|
| Jul-2007 | |
| Russell 1000 Index | 45.0 |
| Russell 2000 Index | 10.0 |
| MSCI EAFE (net) | 10.0 |
| Fixed Income Target | 35.0 |
| Oct-2008 | |
| Russell 1000 Index | 41.0 |
| Russell 2000 Index | 9.0 |
| MSCI EAFE (net) | 15.0 |
| Fixed Income Target | 35.0 |
| Jun-2012 | |
| Russell 1000 Index | 41.0 |
| Russell 2000 Index | 9.0 |
| MSCI AC World ex USA (Net) | 15.0 |
| Fixed Income Target | 35.0 |
| Dec-2016 | |
| Russell 3000 Index | 45.0 |
| MSCI AC World ex USA (Net) | 20.0 |
| Blmbg. Barc. U.S. Aggregate | 35.0 |



IMPORTANT DISCLOSURES

PFM is the marketing name for a group of affiliated companies providing a range of services. All services are provided through separate agreements with each company. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation, as it was prepared without regard to any specific objectives or financial circumstances.

Investment advisory services are provided by PFM Asset Management LLC which is registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. The information contained is not an offer to purchase or sell any securities. Additional applicable regulatory information is available upon request.

PFM asset management professionals have exercised reasonable professional care in the preparation of this performance report. Information in this report is obtained from sources external to PFM's asset management business and is generally believed to be reliable and available to the public; however, we cannot guarantee its accuracy, completeness or suitability. We rely on the client's custodian for security holdings and market values. Transaction dates reported by the custodian may differ from money manager statements. While efforts are made to ensure the data contained herein is accurate and complete, we disclaim all responsibility for any errors that may occur. References to particular issuers are for illustrative purposes only, and are not intended to be recommendations or advice regarding such issuers. Fixed income manager and index characteristics are gathered from external sources. When average credit quality is not available, it is estimated by taking the market value weights of individual credit tiers on the portion of the strategy rated by a NRSRO.

It is not possible to invest directly in an index. The index returns shown throughout this material do not represent the results of actual trading of investor assets. Third-party providers maintain the indices shown and calculate the index levels and performance shown or discussed. Index returns do not reflect payment of any sales charges or fees an investor would pay to purchase the securities they represent. The imposition of these fees and charges would cause investment performance to be lower than the performance shown.

The views expressed within this material constitute the perspective and judgment of PFM's asset management business at the time of distribution and are subject to change. Any forecast, projection, or prediction of the market, the economy, economic trends, and equity or fixed-income markets are based upon certain assumptions and current opinion as of the date of issue, and are also subject to change. Some, but not all assumptions are noted in the report. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Opinions and data presented are not necessarily indicative of future events or expected performance.

For more information regarding PFM's services or entities, please visit www.pfm.com.

© 2020 PFM Asset Management LLC. Further distribution is not permitted without prior written consent.

