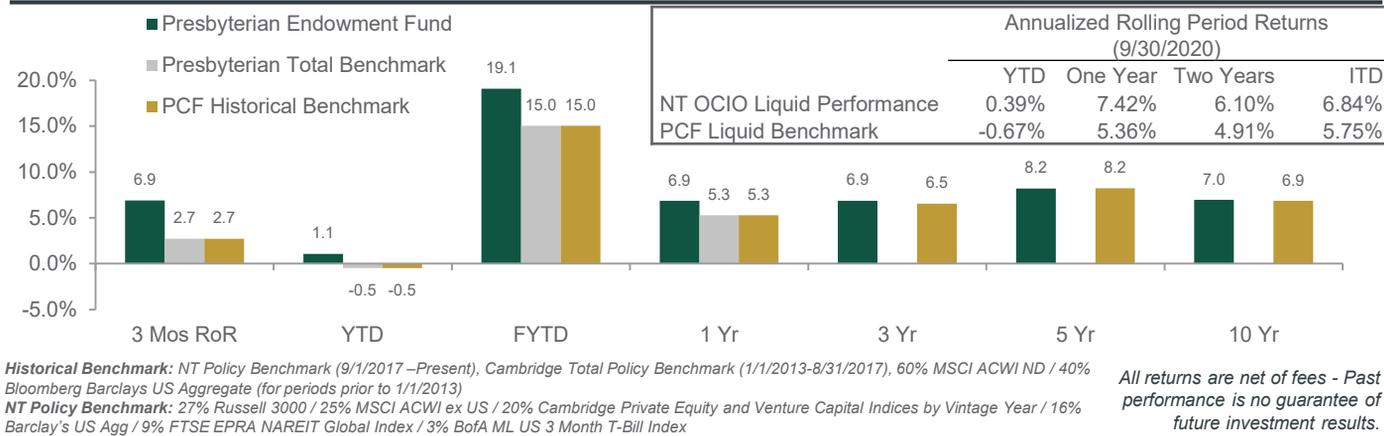




### Objectives

- Financial Objectives:**
- Support a stream of regular distributions in support of annual budgetary needs; and
  - Preserve the real (inflation-adjusted) purchasing power of the Endowment Fund net of regular distributions
- Investment Objectives:**
- Target a real annualized total return, net of investment expenses, over a five to seven year horizon, that aligns with financial objectives;
  - Outperform the Endowment Fund's benchmark consistent with volatility targets; and
  - Adhere to the Social Witness Principles of the General Assembly of the PC(USA)



### Commentary

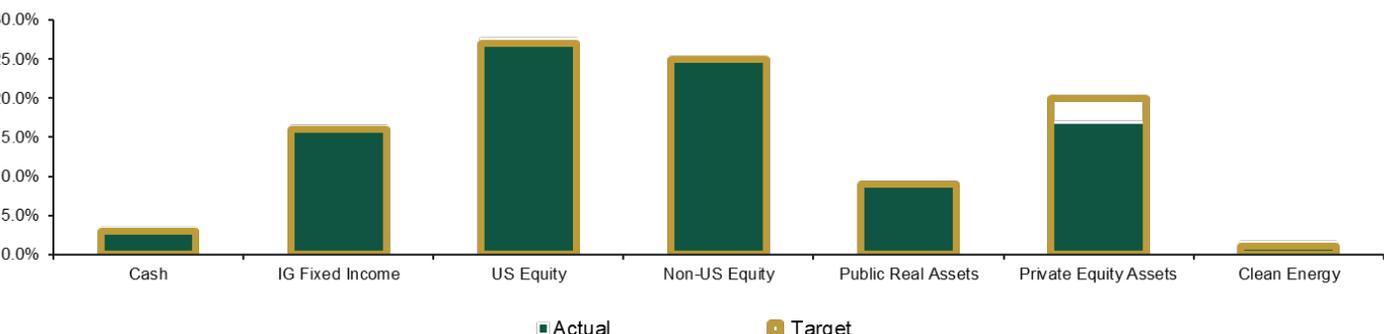
#### Current Quarter

- For the quarter, the program returned +6.9% vs. the PCF Historical benchmark of +2.7% as public equities continued to climb, returning 8.7% for the quarter. Strong manager selection has been a key determinant in relative outperformance over the policy benchmark.
- Clean Energy performed very well, up +47.7% during this quarter and +71.6% in the trailing year.
- Real Assets were up +5.2% in Q3, bringing YTD performance up to -8.3%.
- Fixed Income program was up +1.5% for the quarter, performing its function as a protector of capital.
- Lagged Private Equity valuations contributed greatly to returns as Q2 2020 marks increased asset values. The liquid portion of the portfolio (82.6%) was up +6.7% in Q2 vs. +5.6% for the liquid benchmark.

#### Tactical Themes

- Allocations have reverted backed towards long-term target, heading towards reducing overall program risk as uncertainty around the pandemic remains high and overall market risk has risen.
- Current positioning will focus on U.S. based and developed market assets as well as select real assets to manage risk and capture returns.
- Core fixed income and cash continue to move higher as equity markets have rallied to capture the markets recovery and lower overall program risk.
- New Private Equity commitments will slow in support of program liquidity as markets react to the economic ramifications of the pandemic.

### Actual vs. Target Allocation



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