

Citizens Investment Summary

January 2023



EXECUTIVE SUMMARY

- Citizens' total portfolio market value for Jan 2023 was \$8.72 billion (prior month: \$8.68 billion) with an average duration of 3.79 years (prior month: 3.76 years) and average credit ratings of A+/A1/AA-.
 - 97% of the total portfolio is taxable, with a market value of \$8.44 billion.
 - 3% of the total portfolio is tax-exempt, with a market value of \$0.28 billion.
 - 95%, or \$8.32 billion of the total portfolio is managed by 10 external investment managers, with an average duration of 3.97 years and 5% or \$0.40 billion is internally managed.
- 2022 income return of Citizens' total portfolio is 2.21%. 2022 average assets are \$9.3 billion. 2022 total return of the total portfolio is -8.35%.
- 16% of the portfolio matures within six months, 22% within one year, and 21% in one to three years.
- The 2018-2022 total portfolio's annualized net income return is summarized below:

Year	Total Investment Income (\$MM)	Net Income Return	Average Annual Assets (\$MM)
2018	\$197.8	2.03%	\$9,762.5
2019	\$245.2	2.70%	\$9,076.8
2020	\$261.0	2.96%	\$8,821.7
2021	\$260.4	2.84%	\$9,160.8
2022	\$214.0	2.21%	\$9,252.9

Note: 2018-2021 total portfolio's income and income returns include interest income, amortization of premium bonds, accretion of discount bonds and realized gain/loss. They are net of investment manager fees and calculated using Citizens' financial statements. However, 2022 income and income return are gross of investment manager fees and are calculated from Clearwater Investment Analytics System.

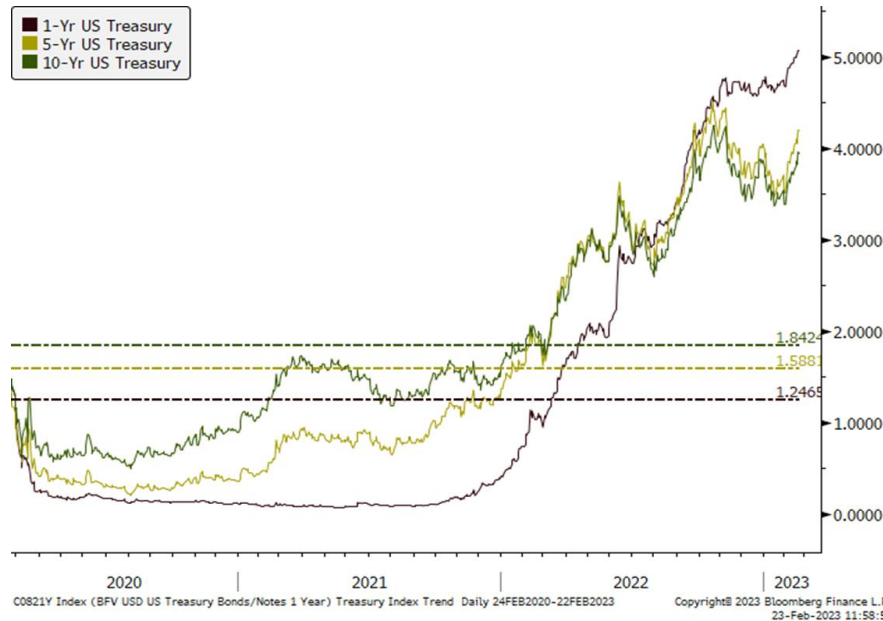
INTEREST RATES

Taxable

From Feb 2022 to Feb 2023

- The 1-year, 5-year, and 10-year US Treasury rates have increased 398, 231, and 200 basis points, respectively.

Taxable Rates (in %)	As of 2/22/23	3-Month Prior	1-Year Prior	3-Year Average	3-Month Change
1-Yr US Treasury	5.07	4.73	1.09	1.25	0.34
5-Yr US Treasury	4.18	4.01	1.87	1.59	0.17
10-Yr US Treasury	3.93	3.76	1.93	1.84	0.17

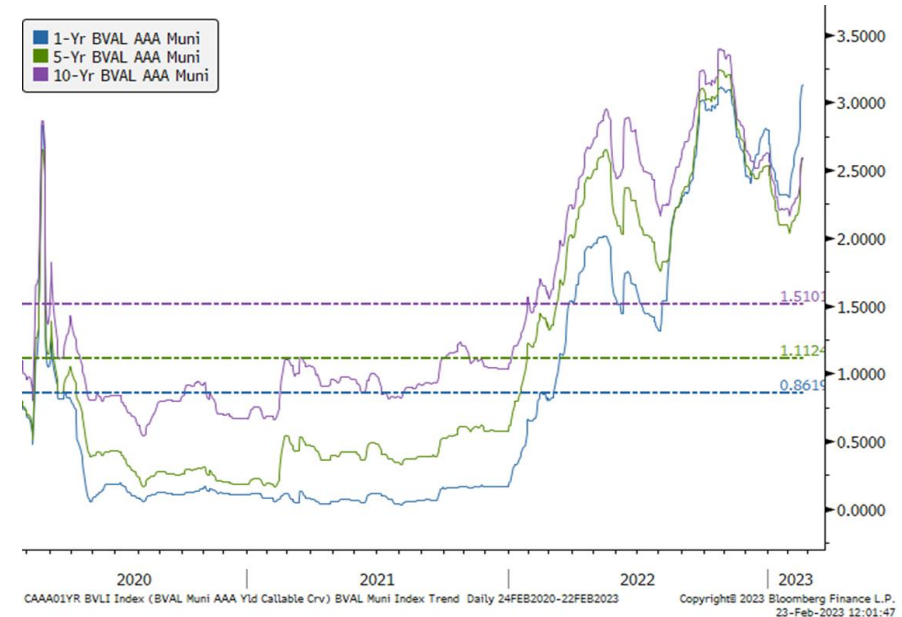


Tax-Exempt

From Feb 2022 to Feb 2023

- The 1-year, 5-year, and 10-year BVAL AAA Muni rates have increased 228, 118, and 95 basis points, respectively.

Tax-Exempt Rates (in %)	As of 2/22/23	3-Month Prior	1-Year Prior	3-Year Average	3-Month Change
1-Yr BVAL AAA Muni	3.13	2.69	0.85	0.86	0.43
5-Yr BVAL AAA Muni	2.59	2.75	1.41	1.11	(0.17)
10-Yr BVAL AAA Muni	2.60	2.86	1.65	1.51	(0.26)



PORTFOLIO SUMMARY AS OF JANUARY 31, 2023

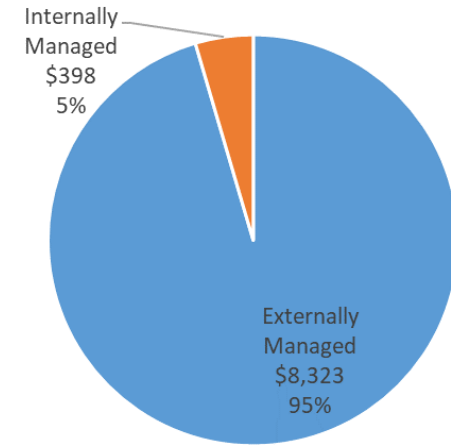
Security Description	Current Month Market Value	Prior Month Market Value	Month-to-Month Change	Current Month Weight (%)
Total	\$8,720	\$8,683	\$37	100%
Taxable	8,444	8,410	34	97%
Corporate Bonds, Commercial Paper, CDs, & Foreign Govt	4,903	4,797	106	56%
Treasury & Agency Securities	2,212	2,243	(31)	25%
Money Market Funds & Cash	704	753	(49)	8%
Municipal Bonds	309	298	11	4%
Non-Agency MBS, CLO and ABS	316	318	(3)	4%
Tax Exempt	276	274	3	3%
Municipal Bonds	250	259	(9)	3%
Treasury & Agency Securities	7	7	0	0%
Money Market Funds & Cash	20	8	12	0%

(\$ in Millions)

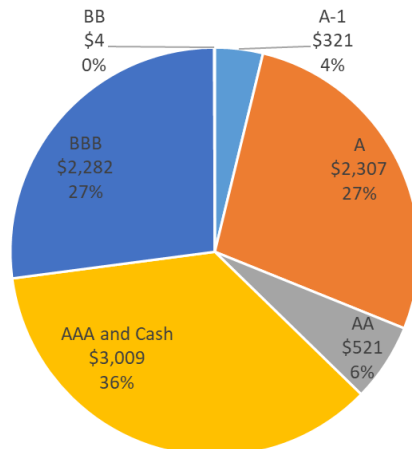
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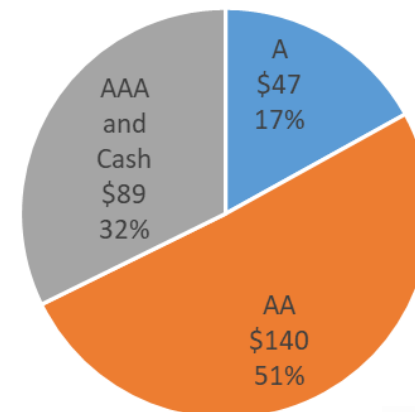
Total Portfolio Composition (\$ in Millions)



Taxable Portfolio Credit Quality Distribution (\$ in Millions)



Tax-Exempt Portfolio Credit Quality Distribution (\$ in Millions)



PORTFOLIO RETURNS SUMMARY AS OF JANUARY 31, 2023

- The total portfolio duration is 3.79 years as of January 31. The 2022 year-end portfolio duration was 3.76 years.
- 2023 Jan YTD total return and income return is 2.03% and 0.22%.

Citizens Portfolio	Duration (Years)	S&P	Moody's	Fitch	Total Return (%)				Income Return (%)					
					3 month	6 month	2022	2023 YTD		3 month	6 month	2022	2023 YTD	
								Jan	Jan				Jan	Jan
Taxable	3.86	A+	A1	AA-	4.58	-0.61	-8.61	2.07	0.67	1.28	2.27	0.23		
Tax Exempt	1.85	AA+	Aa1	AA+	2.82	0.11	-2.09	1.03	0.28	0.55	0.85	0.09		
Total	3.79	A+	A1	AA-	4.50	-0.60	-8.35	2.03	0.66	1.26	2.21	0.22		

Citizens Portfolio	Total Return (%)					Income Return (%)				
	2019	2020	2021	2019-		2019	2020	2021	2019-	
				2022	2022				2022	2022
Total Portfolio	6.76	6.69	-1.19	-8.35	0.78	2.70	2.96	2.84	2.21	2.68

- Notes:
1. The returns for the periods starting from 2022 have been calculated by Clearwater after we transitioned the system from FactSet. The income returns starting from 2022 include interest income, amortization of premium bonds, accretion of discount bonds and realized gain/loss. The total returns for all the periods and income returns starting from 2022 are gross of investment manager fees.
 2. 2019-2021 total portfolio's income returns include interest income, amortization of premium bonds, accretion of discount bonds and realized gain/loss. They are net of investment manager fees and calculated using Citizens' financial statements.
 3. The 4-year return is annualized, and the remaining returns are actual for each reference period.

Reference Rates - Average Yield	1 Month	3 Month	6 Month	1 Year	2 Year	3 Year
Bloomberg "A" Corporate 5-Year	4.49	4.71	4.59	3.97	2.64	2.14
3-Year Treasury	3.91	4.10	3.95	3.27	1.91	1.38
Bloomberg "A" Corporate 3-Year	4.55	4.72	4.52	3.78	2.28	1.80
3-Year BVAL AAA Muni	2.23	2.54	2.53	2.19	1.21	0.94
Bloomberg "A" Corporate 1-Year	4.72	4.77	4.38	3.28	1.80	1.43
1-Year Treasury	4.69	4.67	4.22	3.07	1.61	1.17

Citizens Investment Summary Report Appendix

January 2023



EXECUTIVE SUMMARY

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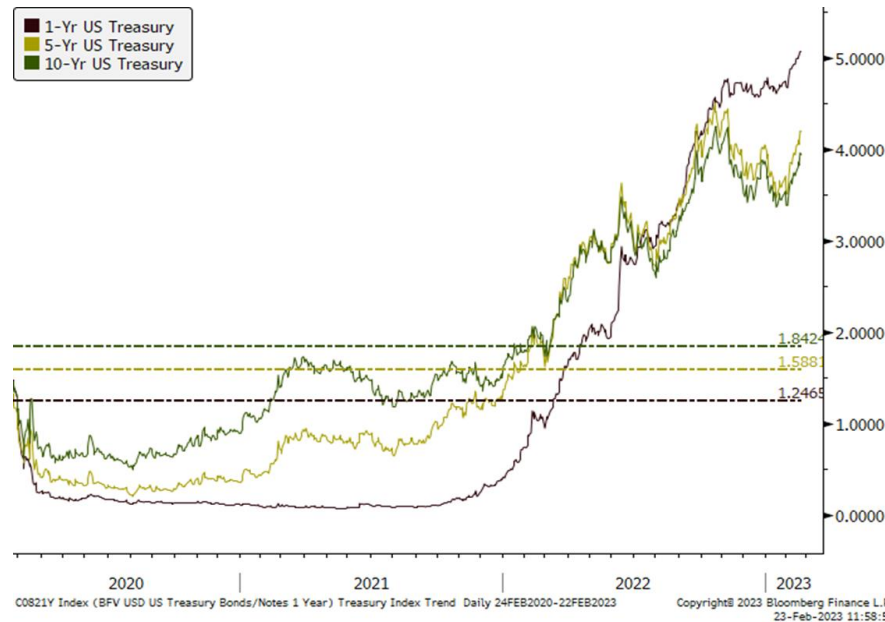
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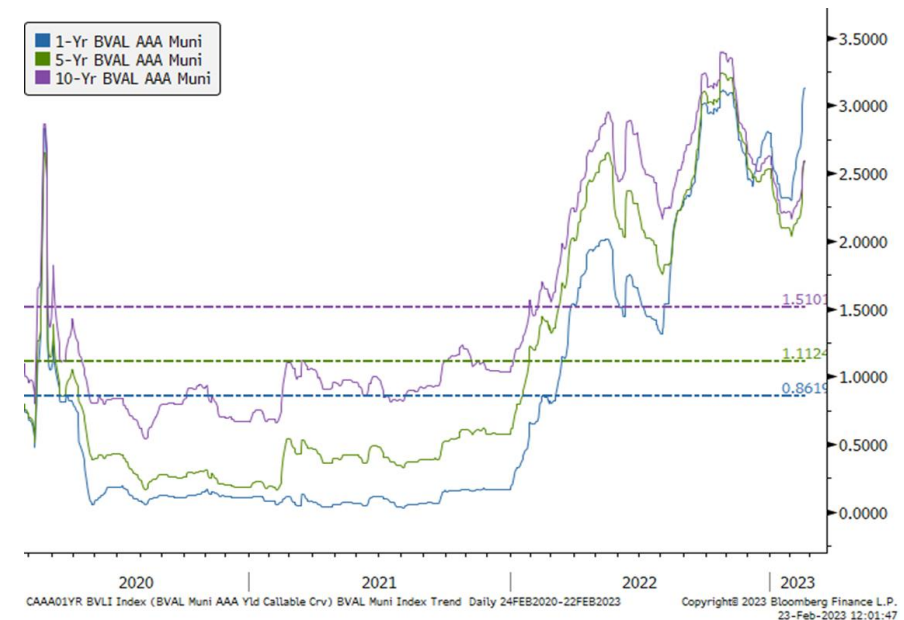


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PORTFOLIO SUMMARY AS OF JANUARY 31, 2023

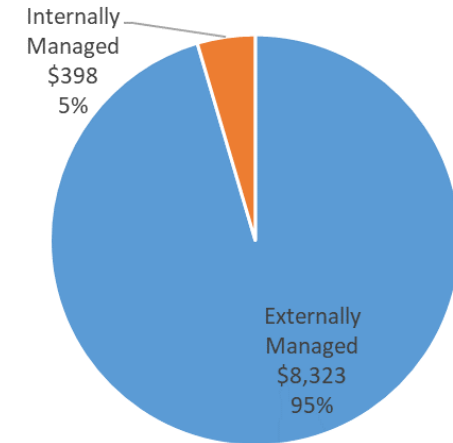
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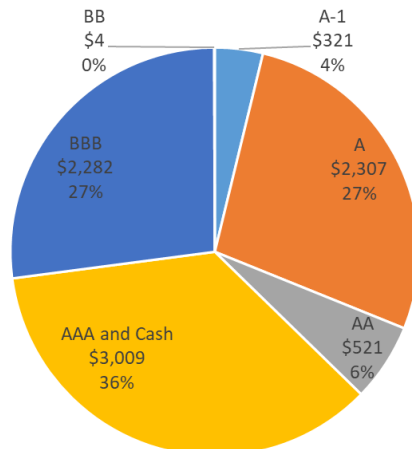
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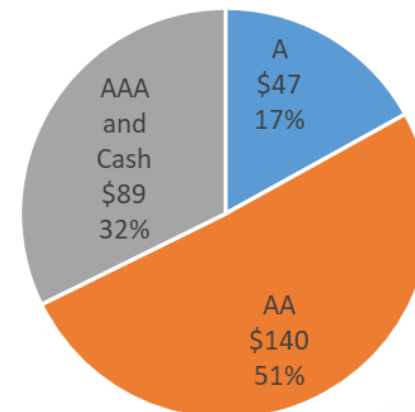
Total Portfolio Composition (\$ in Millions)



Taxable Portfolio Credit Quality Distribution (\$ in Millions)



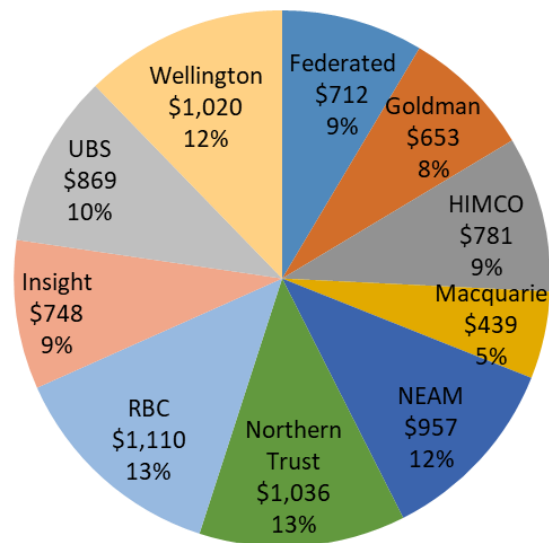
Tax-Exempt Portfolio Credit Quality Distribution (\$ in Millions)



INVESTMENT MANAGERS PORTFOLIO SUMMARY AS OF JANUARY 31, 2023

Total Externally Managed Portfolio Composition
(\$ in Millions)

Investment Manager	Taxable Liquidity Fund	Taxable Claims-Paying Fund	Claims Long Duration Fund	Tax-Exempt Claims-Paying Fund	Total	Percentage of Total Portfolio
Federated	\$712	\$0	\$0	\$0	\$712	9%
Goldman	\$0	\$547	\$106	\$0	\$653	8%
HIMCO	\$0	\$781	\$0	\$0	\$781	9%
Macquarie	\$0	\$0	\$439	\$0	\$439	5%
NEAM	\$0	\$302	\$655	\$0	\$957	11%
Northern Trust	\$0	\$0	\$1,036	\$0	\$1,036	12%
RBC	\$60	\$0	\$1,050	\$0	\$1,110	13%
Insight	\$0	\$0	\$479	\$269	\$748	9%
UBS	\$0	\$0	\$869	\$0	\$869	10%
Wellington	\$433	\$0	\$587	\$0	\$1,020	12%
Grand Total	\$1,205	\$1,630	\$5,219	\$269	\$8,323	100%



- 95% of the taxable portfolio, or \$8.05 billion, is managed by 10 external investment managers.
- 97% of the tax-exempt portfolio, or \$0.27 billion, is managed by an external investment manager.

PORTFOLIO RETURNS SUMMARY AS OF JANUARY 31, 2023

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Taxable	3.86	A+	A1	AA-	4.58	-0.61	-8.61	2.07	0.67	1.28	2.27	0.23		
Tax Exempt	1.85	AA+	Aa1	AA+	2.82	0.11	-2.09	1.03	0.28	0.55	0.85	0.09		
Total	3.79	A+	A1	AA-	4.50	-0.60	-8.35	2.03	0.66	1.26	2.21	0.22		

Citizens Portfolio	Total Return (%)					Income Return (%)				
	2019	2020	2021	2019-		2019	2020	2021	2019-	
				2022	2022				2022	2022
Total Portfolio	6.76	6.69	-1.19	-8.35	0.78	2.70	2.96	2.84	2.21	2.68

- Notes:
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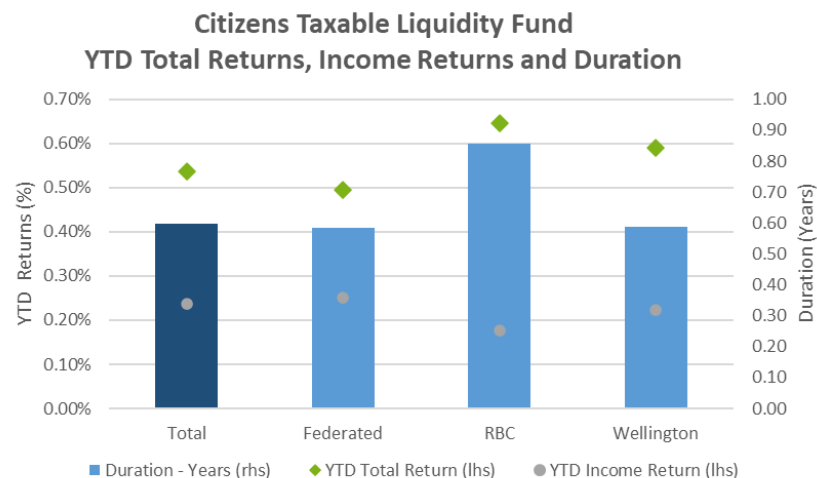
Reference Rates - Average Yield	1 Month	3 Month	6 Month	1 Year	2 Year	3 Year
Bloomberg "A" Corporate 5-Year	4.49	4.71	4.59	3.97	2.64	2.14
3-Year Treasury	3.91	4.10	3.95	3.27	1.91	1.38
Bloomberg "A" Corporate 3-Year	4.55	4.72	4.52	3.78	2.28	1.80
3-Year BVAL AAA Muni	2.23	2.54	2.53	2.19	1.21	0.94
Bloomberg "A" Corporate 1-Year	4.72	4.77	4.38	3.28	1.80	1.43
1-Year Treasury	4.69	4.67	4.22	3.07	1.61	1.17

TAXABLE LIQUIDITY PORTFOLIO INVESTMENT MANAGER RETURNS SUMMARY

- The Taxable Liquidity portfolio duration is 0.6 years as of January 31.
- 2022 total return and income return is -0.16% and 1.68%.

Investment Manager	Duration (Years)	Market Value (\$MM)	Total Return (%)				Income Return (%)			
			2023 YTD				2023 YTD			
			3 month	6 month	2022	Jan	3 month	6 month	2022	Jan
Federated	0.58	712	1.36	1.17	-0.03	0.50	0.75	1.39	1.74	0.25
RBC	0.86	60	1.75	0.77	-1.33	0.65	0.51	0.92	1.27	0.18
Wellington	0.59	433	1.53	1.16	-0.16	0.59	0.64	1.18	1.63	0.22
Total	0.60	1,205	1.44	1.14	-0.16	0.54	0.69	1.29	1.68	0.24

Citizens Portfolio	Total Return (%)			
	2019	2020	2021	2019-2021
Taxable Liquidity	3.86	2.67	0.04	2.18



Notes:

- The 3-year return is annualized, and the remaining returns are actual for each reference period.
- Returns in green font fall within +/-10% of the average return or higher. Returns in red font fall below -10% of the average return.

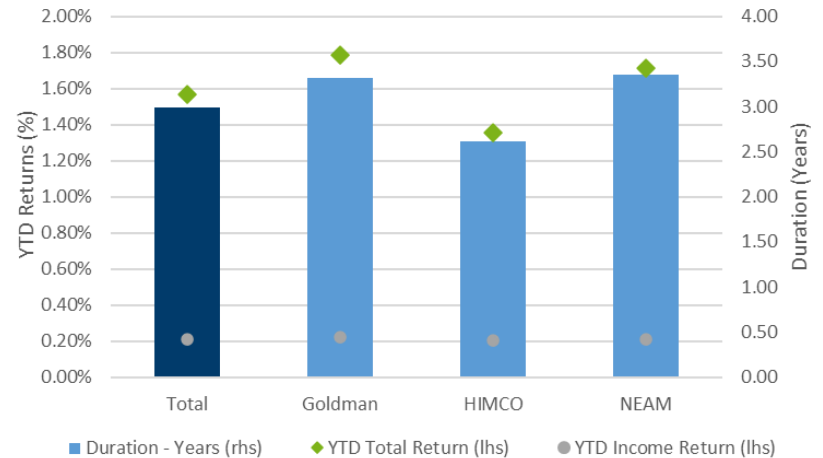
TAXABLE CLAIMS-PAYING PORTFOLIO INVESTMENT MANAGER RETURNS SUMMARY

- The Taxable Claims-Paying portfolio duration is 2.99 years as of January 31.
- 2022 total return and income return is -6.99% and 2.20%.

Investment Manager	Duration (Years)	Market Value (\$MM)	Total Return (%)				Income Return (%)			
			2023 YTD				2023 YTD			
			3 month	6 month	2022	Jan	3 month	6 month	2022	Jan
Goldman	3.31	547	4.02	-0.12	-7.12	1.78	0.73	1.36	2.45	0.22
HIMCO	2.61	781	3.27	-0.44	-6.62	1.35	0.60	1.15	1.92	0.21
NEAM	3.35	302	3.86	-1.20	-7.59	1.72	0.64	1.20	2.34	0.21
Total	2.99	1,630	3.63	-0.46	-6.99	1.57	0.65	1.23	2.20	0.21

Citizens Portfolio	Total Return (%)			
	2019	2020	2021	2019-2021
Taxable Claims	7.29	6.62	-1.19	4.17

Citizens Taxable Claims-Paying Fund
YTD Total Returns, Income Returns and Duration



Notes:

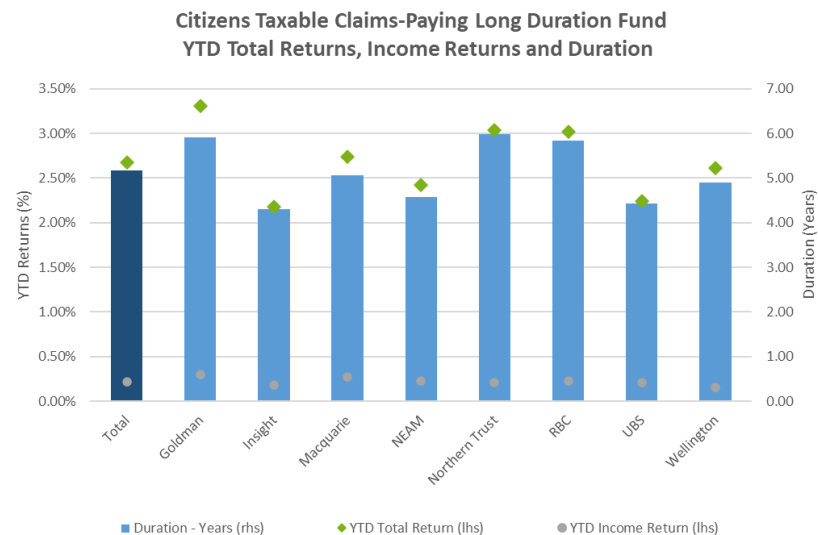
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TAXABLE CLAIMS-PAYING LONG DURATION PORTFOLIO INVESTMENT MANAGER RETURNS SUMMARY

- The duration of the Taxable Claims-Paying Long Duration portfolio is 5.17 years as of January 31.
- 2022 total return and income return is -11.75% and 2.46%.

Investment Manager	Duration (Years)	Market Value (\$MM)	Total Return (%)				Income Return(%)			
			2023 YTD				2023 YTD			
			3 month	6 month	2022	Jan	3 month	6 month	2022	Jan
Goldman	5.91	106	6.00	-0.95	-8.18	3.31	0.76	1.29	1.89	0.29
Insight	4.31	479	4.87	-1.30	-10.15	2.18	0.53	1.01	1.77	0.18
Macquarie	5.05	439	5.91	-0.56	-10.46	2.74	0.78	1.52	3.00	0.28
NEAM	4.57	655	5.09	-1.83	-9.67	2.42	0.67	1.31	2.56	0.22
Northern Trust	5.99	1,036	7.11	-1.91	-14.09	3.04	0.63	1.25	2.60	0.21
RBC	5.83	1,050	7.23	-1.72	-13.66	3.02	0.57	1.24	2.41	0.23
UBS	4.44	869	5.16	-1.75	-10.74	2.24	0.61	1.23	2.46	0.21
Wellington	4.91	587	5.32	-1.43	-10.33	2.61	0.57	1.15	2.24	0.16
Total	5.17	5,219	6.00	-1.58	-11.75	2.68	0.62	1.25	2.46	0.21

Citizens Portfolio	Total Return (%)			
	2019	2020	2021	2019-2021
Taxable Long Duration	9.59	9.23	-1.58	5.62



Notes:

- The performance inception date for the Goldman CST portfolio and Insight PLA portfolio is 3/1/2022.
- The 3-year return is annualized, and the remaining returns are actual for each reference period.
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TAX-EXEMPT CLAIMS-PAYING PORTFOLIO INVESTMENT MANAGER RETURNS SUMMARY

- The Tax-Exempt Claims-Paying portfolio duration is 1.89 years as of January 31.
- 2022 total return and income return is -3.22% and 0.88%.

Investment Manager	Duration (Years)	Market Value (\$MM)	Total Return (%)				Income Return (%)			
			3 month	6 month	2023 YTD		3 month	6 month	2023 YTD	
					2022	Jan			2022	Jan
Insight	1.89	269	2.91	0.03	-3.22	1.05	0.27	0.52	0.88	0.08

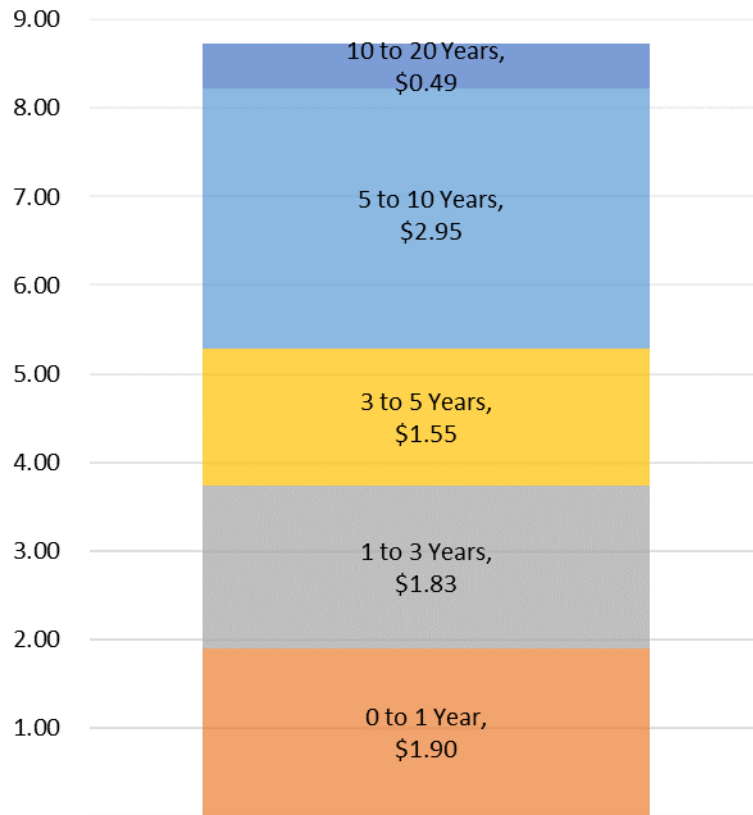
Citizens Portfolio	Total Return (%)			
	2019	2020	2021	2019-2021
Tax-Exempt Claims	2.91	1.81	-0.04	1.55

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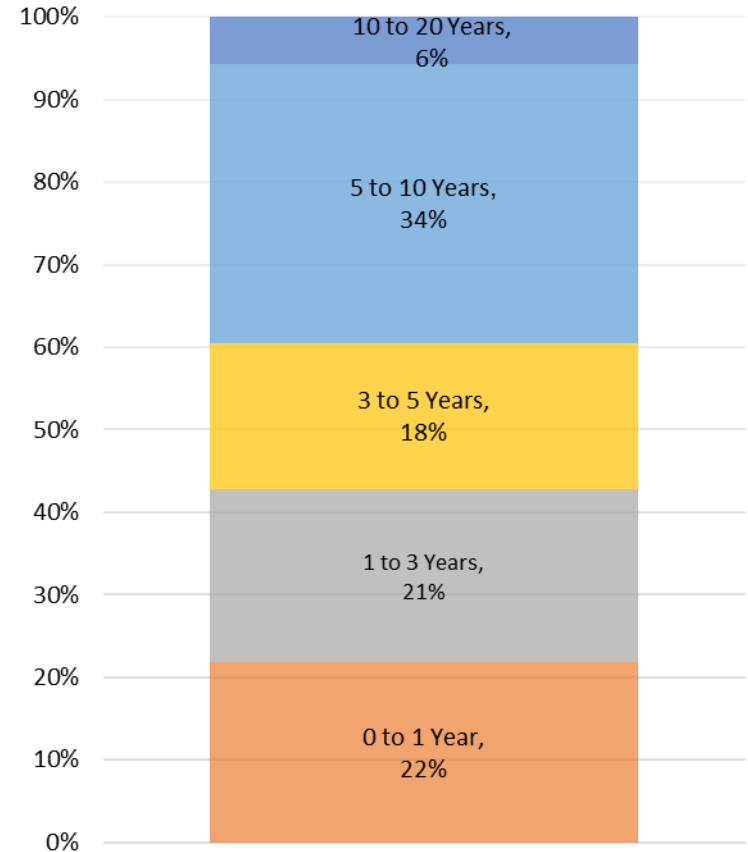
PORTFOLIO MATURITY DISTRIBUTION

- Citizens' total portfolio is \$8.72 billion and average duration is 3.79 years.
- 22% of the portfolio, or \$1.90 billion, matures within 1 year.
- 21% of the portfolio, or \$1.83 billion, matures between 1 and 3 years.
- 18% of the portfolio, or \$1.55 billion, matures between 3 and 5 years.
- 34% of the portfolio, or \$2.95 billion, matures between 5 and 10 years.
- 6% of the portfolio, or \$0.49 billion, matures between 10 and 20 years.

**Citizens Investment Portfolio Maturity Distribution –
Amount (\$ in Billions)**



**Citizens Investment Portfolio Maturity Distribution –
Percent**



Note: The 0 to 1 Year group includes cash and money market funds.

DOWNGRADED SECURITIES

Current Holdings Downgraded Below Minimum Required Ratings								
Security	Effective Maturity	Investment Manager	Moody's Rating	S&P Rating	Fitch Rating	Amortized Cost	Market Value	Unrealized Gain/Loss
OFFICE PROPERTIES INCOME TRUST	06/15/2026	Northern Trust	Ba1	BBB-	NA	4,994,461	4,012,950	(\$981,511)
HCA INC	06/15/2029	Insight	Baa3	BBB-	BB+	341,663	294,023	(\$47,640)
HCA INC	07/15/2031	Northern Trust, Insight	Baa3	BBB-	BB+	7,220,066	5,946,501	(\$1,273,565)
Total						\$12,556,190	\$10,253,474	(\$2,302,716)

The highlighted ratings are out of compliance. The investment managers are not required to sell these securities. However, they may look to reduce or sell the positions based on market conditions or as directed by Citizens. They will continue to monitor the holdings.