

Citizens Investment Summary

Feb 2024



EXECUTIVE SUMMARY

- Citizens' total portfolio market value for Feb 2024 was \$9.45 billion (prior month: \$9.51 billion) with an average duration of 2.87 years (prior month: 2.89 years) and average credit ratings of AA-/Aa3/AA-.
 - 88% or \$8.36 billion of the total portfolio is managed by 10 external investment managers, with an average duration of 3.22 years
 - 12% or \$1.09 billion is internally managed with an average duration of 0.18 years and average credit ratings of AAA/Aaa/AAA.
- 1-year income and total return of the total portfolio as of Feb 2024 is 3.11% and 5.37%, respectively. YTD average assets are \$9.5 billion.
- The portfolio provides sufficient liquidity to pay any potential claims with 31% or \$2.87 billion of the portfolio maturing within six months, 7% or \$0.67 billion in six months to one year, and an additional 20% or \$1.93 billion in one to three years.
- The 2020-2023 total portfolio's annualized net income return is summarized below and we expect 2024 net income return to be approximately 3.6%.

Year	Total Investment Income (\$MM)	Net Income Return	Average Annual Assets (\$MM)
2020	\$261.0	2.96%	\$8,821.7
2021	\$260.4	2.84%	\$9,160.8
2022	\$214.0	2.21%	\$9,252.9
2023	\$298.8	3.00%	\$9,405.6

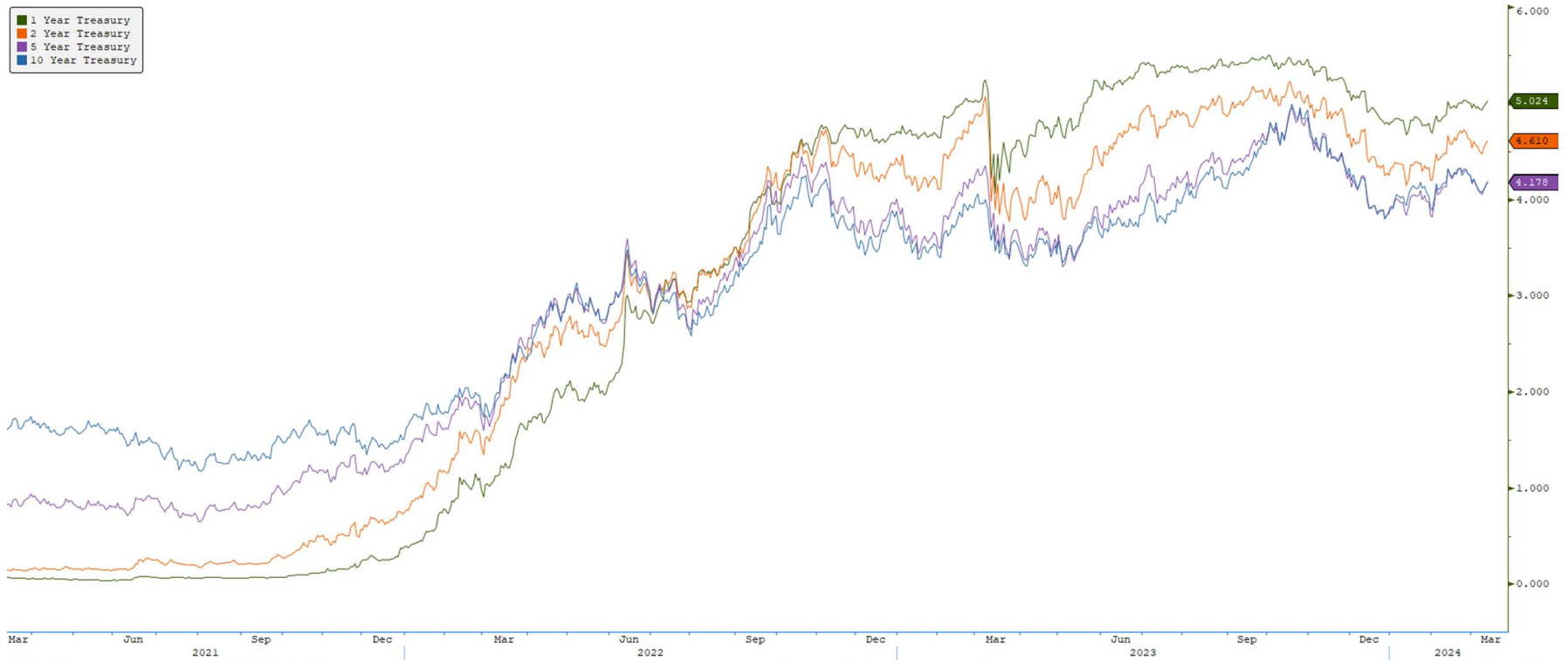
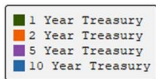
Note: 2020-2021 total portfolio's income and income returns include interest income, amortization of premium bonds, accretion of discount bonds and realized gain/loss. They are net of investment manager fees and calculated using Citizens' financial statements. However, 2022-2023 income and income return are gross of investment manager fees and are calculated from Clearwater Investment Analytics System.

INTEREST RATES

From middle of Mar 2023 to middle of Mar 2024,

The 1-year, 2-year, 5-year, and 10-year US Treasury rates have increased by 81, 62, 47 and 59 basis points, respectively.

Rates (%)	As of 3/13/24	3-Month Prior	1-Year Prior	3-Year Average	3-Month Change
1-Yr US Treasury	5.02	4.91	4.21	2.96	0.11
2-Yr US Treasury	4.60	4.43	3.98	2.90	0.17
5-Yr US Treasury	4.17	3.97	3.70	2.87	0.20
10-Yr US Treasury	4.17	4.02	3.58	2.97	0.16



912797KA Govt treasury chart Daily 15MAR2021-13MAR2024

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PORTFOLIO SUMMARY AS OF FEB 29, 2024

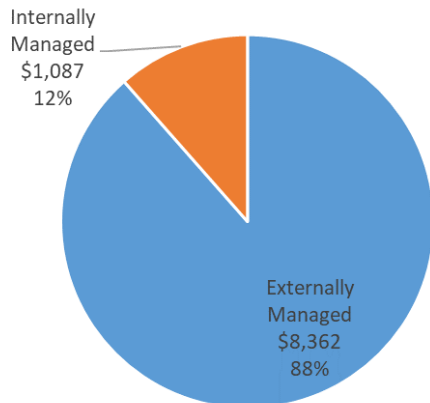
Security Description	Current Month Market Value	Prior Month Market Value	Month-to-Month Change	Current Month Weight (%)
Total	\$9,448	\$9,514	(\$65)	100%
Corporate Bonds, Commercial Paper, CDs, & Foreign Govt Securities	4,604	4,550	54	49%
Treasury & Agency Securities	3,492	3,325	168	37%
Municipal Bonds	494	509	(16)	5%
Non-Agency MBS, CLO and ABS	268	179	89	3%
Money Market Funds	582	932	(350)	6%
Cash	8	18	(10)	0%

(\$ in Millions)

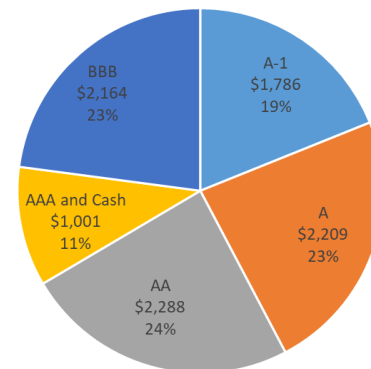
Notes:

1. Month-to-month changes can be driven by transfers of funds from one category of securities to another.
2. Numbers may not add up due to rounding.

Total Portfolio Composition
(\$ in Millions)



Total Portfolio Credit Quality Distribution
(\$ in Millions)



PORTFOLIO RETURNS SUMMARY AS OF FEB 29, 2024

- The total portfolio duration is 2.87 years as of Feb 29. The 2023 year-end portfolio duration was 2.96 years.
- 1-year total return and income return is 5.37% and 3.11%, respectively.

Citizens Portfolio	Duration (Years)	S&P	Moody's	Fitch	Total Return (%)				Income Return (%)			
					1 month	3 months	1 Year	2 Years	1 month	3 months	1 Year	2 Years
Total	2.87	AA-	Aa3	AA-	-0.47	1.79	5.37	-0.33	0.27	0.83	3.11	2.71

Citizens Portfolio	Total Return (%)				Income Return (%)			
	2020	2021	2022	2023	2020	2021	2022	2023
Total	6.69	-1.19	-8.35	6.10	2.96	2.84	2.21	3.00

- 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.
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Citizens Investment Summary Report Appendix

Feb 2024



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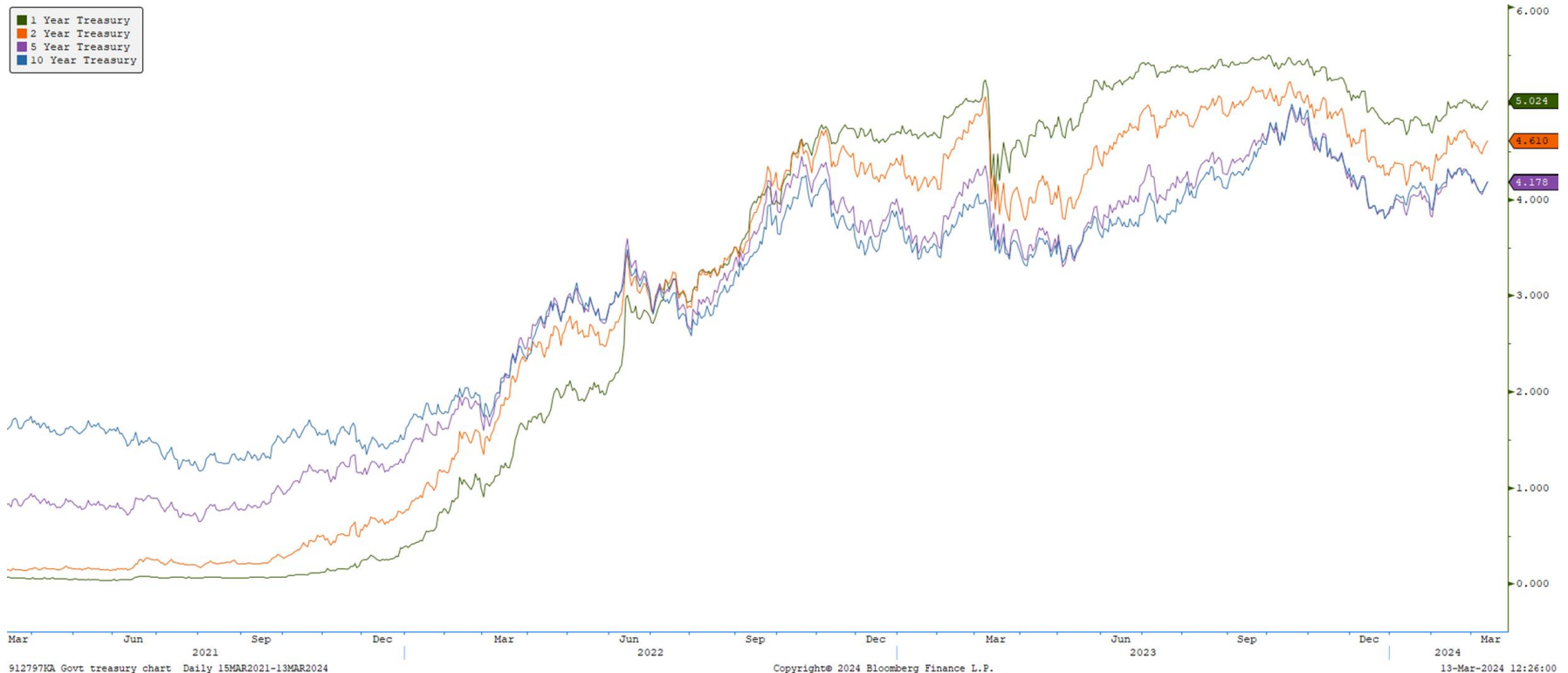
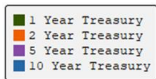
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912797KA Govt treasury chart Daily 15MAR2021-13MAR2024

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PORTFOLIO SUMMARY AS OF FEB 29, 2024

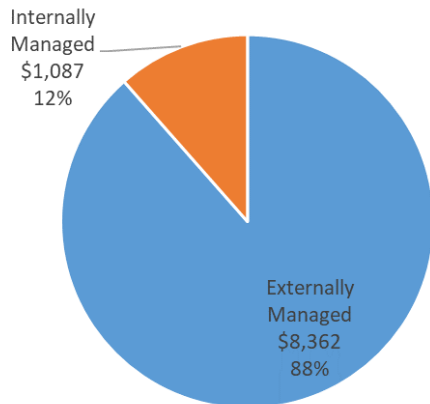
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(\$ in Millions)

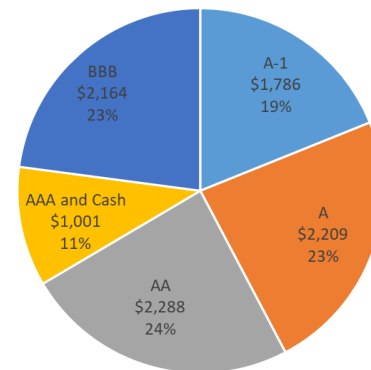
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Total Portfolio Composition
(\$ in Millions)



Total Portfolio Credit Quality Distribution
(\$ in Millions)



INVESTMENT MANAGERS PORTFOLIO SUMMARY AS OF FEB 29, 2024

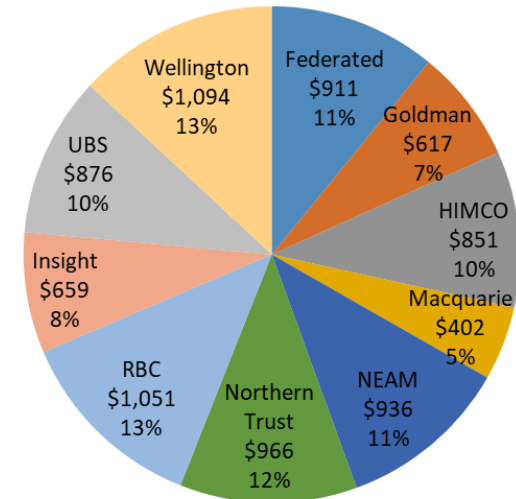
- \$8.36 billion is managed by 10 external investment managers.

Investment Manager	Liquidity Fund	Claims-Paying Fund	Total	Percentage of Total Portfolio
Federated	\$911	\$0	\$911	11%
Goldman	\$0	\$617	\$617	7%
HIMCO	\$851	\$0	\$851	10%
Macquarie	\$0	\$402	\$402	5%
NEAM	\$0	\$936	\$936	11%
Northern Trust	\$0	\$966	\$966	12%
RBC	\$0	\$1,051	\$1,051	13%
Insight	\$0	\$659	\$659	8%
UBS	\$0	\$876	\$876	10%
Wellington	\$517	\$577	\$1,094	13%
Grand Total	\$2,279	\$6,083	\$8,362	100%

(\$ in Millions)

Note: The Insight Claims-Paying fund includes the legacy securities from the original tax-exempt portfolio.

Total Externally Managed Portfolio Composition
(\$ in Millions)



PORTFOLIO RETURNS SUMMARY AS OF FEB 29, 2024

- The total portfolio duration is 2.87 years as of Feb 29. The 2023 year-end portfolio duration was 2.96 years.
- 1-year total return and income return is 5.37% and 3.11%, respectively.

Citizens Portfolio	Duration (Years)	S&P	Moody's	Fitch	Total Return (%)				Income Return (%)			
					1 month	3 months	1 Year	2 Years	1 month	3 months	1 Year	2 Years
Total	2.87	AA-	Aa3	AA-	-0.47	1.79	5.37	-0.33	0.27	0.83	3.11	2.71

Citizens Portfolio	Total Return (%)				Income Return (%)			
	2020	2021	2022	2023	2020	2021	2022	2023
Total	6.69	-1.19	-8.35	6.10	2.96	2.84	2.21	3.00

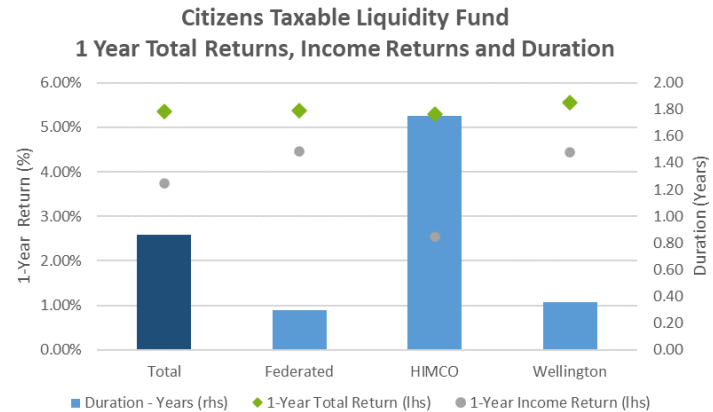
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 2. 2020-2021 total portfolio's income returns include interest income, amortization of premium bonds, accretion of discount bonds and realized gain/loss. They are net of investment manager fees and calculated using Citizens' financial statements.
 3. The 2-year returns are annualized, and the remaining returns are actual for each reference period.

LIQUIDITY PORTFOLIO INVESTMENT MANAGER RETURNS SUMMARY

- The Liquidity portfolio duration is 0.86 years as of Feb 29.
- 1-year total return and income return is 5.35% and 3.74%, respectively.

Investment Manager	Duration (Years)	Market Value (\$MM)	Total Return (%)				Income Return (%)			
			1 month	3 months	1 Year	2 Years	1 month	3 months	1 Year	2 Years
Federated	0.30	911	0.37	1.36	5.38	3.14	0.38	1.25	4.46	3.25
HIMCO	1.75	851	-0.12	1.70	5.30	0.36	0.25	0.74	2.55	2.31
Wellington	0.36	517	0.44	1.41	5.56	3.24	0.41	1.23	4.44	3.17
Total	0.86	2,279	0.20	1.46	5.35	2.03	0.34	1.06	3.74	2.88

Citizens Portfolio	Total Return (%)			
	2020	2021	2022	2023
Taxable Liquidity	2.67	0.04	-0.16	5.27



Notes:

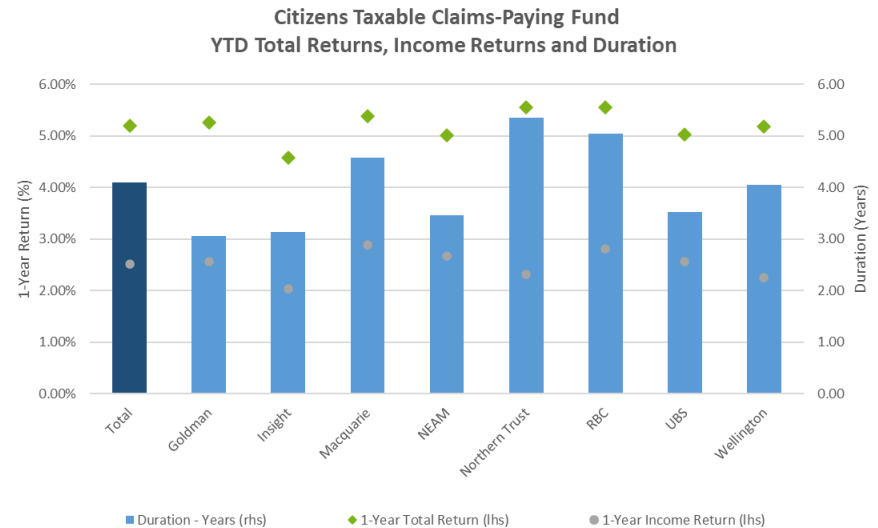
- From Jan 2022 to Jan 2024, HIMCO managed the Taxable Claims-Paying (TC) accounts. Federated and Wellington managed Taxable Liquidity (TL) accounts during this time. After account consolidations in Jan 2024, all these 3 managers manage the assets under the TL Investment Policy. The returns of the old TC/TL accounts and returns of the new TL accounts are linked together to calculate historical returns.
- The 2-year returns are 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.

CLAIMS-PAYING PORTFOLIO INVESTMENT MANAGER RETURNS SUMMARY

- The Claims-Paying portfolio duration is 4.10 years as of Feb 29.
- 1-year total return and income return is 5.20% and 2.51%, respectively.

Investment Manager	Duration (Years)	Market Value (\$MM)	Total Return (%)				Income Return(%)			
			1 month	3 months	1 Year	2 Years	1 month	3 months	1 Year	2 Years
Goldman	3.05	617	-0.62	1.82	5.26	-0.13	0.23	0.70	2.56	2.52
Insight	3.13	659	-0.42	1.62	4.57	-0.42	0.21	0.52	2.04	1.81
Macquarie	4.58	402	-1.04	2.17	5.38	-1.04	0.28	0.85	2.90	2.96
NEAM	3.46	936	-0.65	1.70	5.00	-1.16	0.20	0.64	2.67	2.61
Northern Trust	5.35	966	-1.20	2.36	5.55	-2.62	0.21	0.46	2.32	2.43
RBC	5.04	1,051	-1.21	2.27	5.55	-2.39	0.23	0.69	2.81	2.61
UBS	3.52	876	-0.76	1.77	5.03	-1.58	0.22	0.66	2.56	2.50
Wellington	4.06	577	-0.99	1.90	5.19	-1.46	0.20	0.60	2.25	2.25
Total	4.10	6,083	-0.88	1.97	5.20	-1.47	0.22	0.63	2.51	2.46

Citizens Portfolio	Total Return (%)			
	2020	2021	2022	2023
Taxable Claims	6.62	-1.19	-6.99	5.60



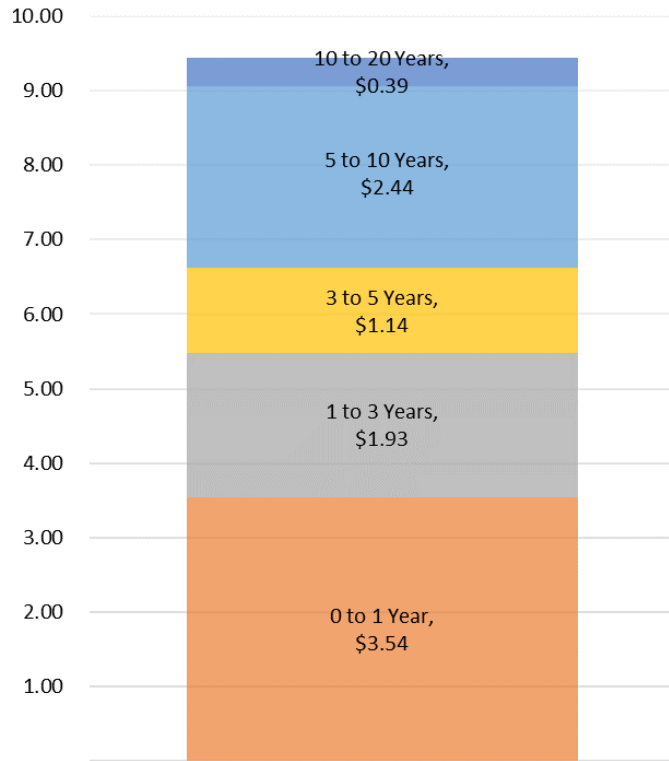
Notes:

- From Jan 2022 to Jan 2024, all managers above managed Taxable Claims-Paying Long Duration (TCLD) accounts. Goldman and NEAM also managed Taxable Claims-Paying (TC) accounts during this time. After account consolidations in Jan 2024, all these 8 managers manage the assets under the TC Investment Policy. The returns of the old TCLD/TC accounts and returns of the new TC accounts are linked together to calculate historical returns.
- The 2-year returns are 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.

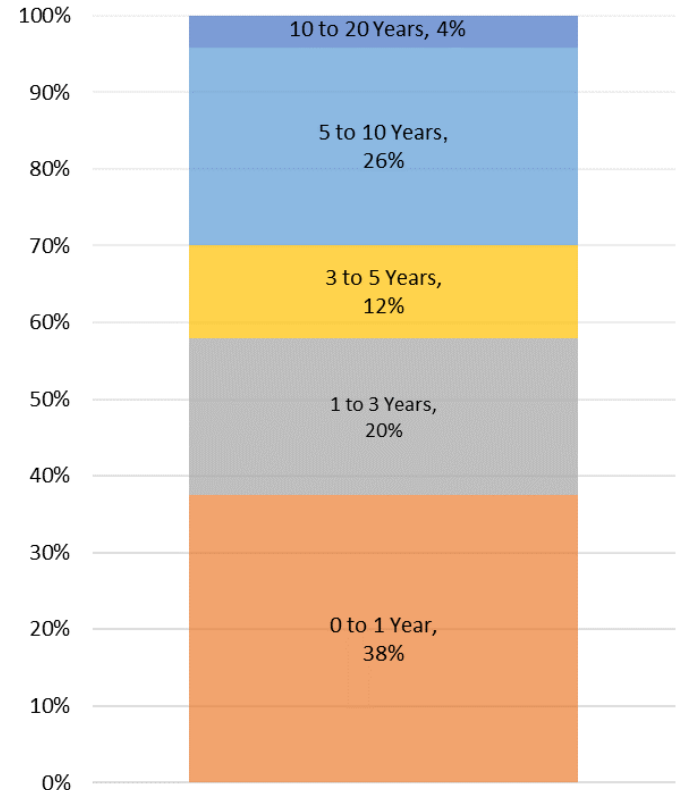
PORTFOLIO MATURITY DISTRIBUTION

- Citizens' total portfolio is \$9.45 billion and average duration is 2.87 years.
- 38% of the portfolio, or \$3.54 billion, matures within 1 year.
- 20% of the portfolio, or \$1.93 billion, matures between 1 and 3 years.
- 12% of the portfolio, or \$1.14 billion, matures between 3 and 5 years.
- 26% of the portfolio, or \$2.44 billion, matures between 5 and 10 years.
- 4% of the portfolio, or \$0.39 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: None