

Citizens Investment Summary

January 2025



EXECUTIVE SUMMARY

- Citizens' total portfolio market value for January 2025 was \$9.73 billion (prior month: \$9.88 billion) with an average duration of 2.39 years (prior month: 2.40 years) and average credit ratings of AA-/Aa3/AA-.
 - 85% or \$8.25 billion of the total portfolio is managed by 9 external investment managers, with an average duration of 2.80 years.
 - 15% or \$1.48 billion is internally managed with an average duration of 0.14 years and average credit ratings of AAA/Aaa/AAA.
- 1-year income and total return of the total portfolio as of January 2025 is 3.51% and 4.41%, respectively.
- 2-Year and 3-Year income return as of January 2025 is 3.26% and 2.92%, respectively.
- The portfolio provides sufficient liquidity to pay any potential claims with 37% or \$3.63 billion of the portfolio maturing within six months, 6% or \$0.62 billion in six months to one year, and an additional 20% or \$1.98 billion in one to three years.
- For YTD as of January 31, the income return is 0.28%. We expect 2025 income return to be approximately 3.3%.

INTEREST RATES

From middle of February 2024 to middle of February 2025,

The 1-year and 2-year US Treasury rates decreased by 75 and 38 basis points, respectively. 5-year and 10-year US Treasury rates have increased by 5 and 20 basis points, respectively.

Rates	As of 2/17/25	3-Month Prior	1-Year Prior	3-Year Average	3-Month Change
1-Yr US Treasury	4.22	4.33	4.97	4.33	(0.11)
2-Yr US Treasury	4.26	4.31	4.64	4.13	(0.04)
5-Yr US Treasury	4.33	4.31	4.28	3.85	0.02
10-Yr US Treasury	4.48	4.44	4.28	3.82	0.04



PORTFOLIO SUMMARY AS OF JANUARY 31, 2025

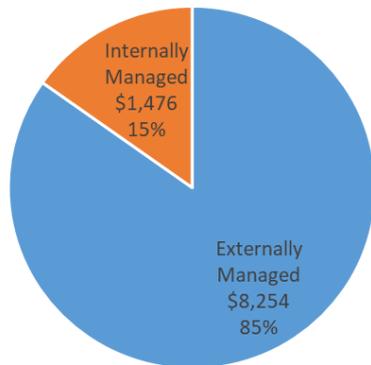
Security Description	Current Month Market Value	Prior Month Market Value	Month-to-Month Change	Current Month Weight (%)
Total	\$9,730	\$9,878	(\$148)	100%
Corporate Bonds, Commercial Paper, CDs, & Foreign Govt Securities	4,390	4,469	(79)	45%
Treasury & Agency Securities	3,203	2,861	341	33%
Municipal Bonds	348	365	(17)	4%
Non-Agency MBS, CLO and ABS	445	468	(23)	5%
Money Market Funds and Cash	1,345	1,715	(371)	14%

(\$ in Millions)

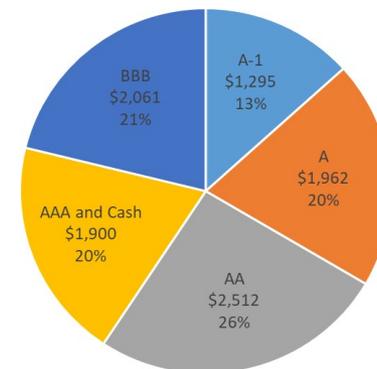
Notes:

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 JANUARY 31, 2025

- As of January 31, the total portfolio duration is 2.39 years. The 2024 year-end portfolio duration was 2.40 years.
- 1-year total return and income return is 4.41% and 3.51%, respectively.
- For YTD as of January 31, the total return and income return is 0.45% and 0.28%, respectively.

Citizens Portfolio	Duration (Years)	S&P	Moody's	Fitch	Total Return (%)					Income Return (%)				
					1 month	3 months	1 Year	2 Years	3 Years	1 month	3 months	1 Year	2 Years	3 Years
Total	2.39	AA-	Aa3	AA-	0.45	0.81	4.41	4.27	1.08	0.28	0.86	3.51	3.26	2.92

Note: The returns for the periods greater than 1 year are annualized, and the remaining returns are actual for each reference period.

Citizens Investment Summary Report Appendix

January 2025



EXECUTIVE SUMMARY

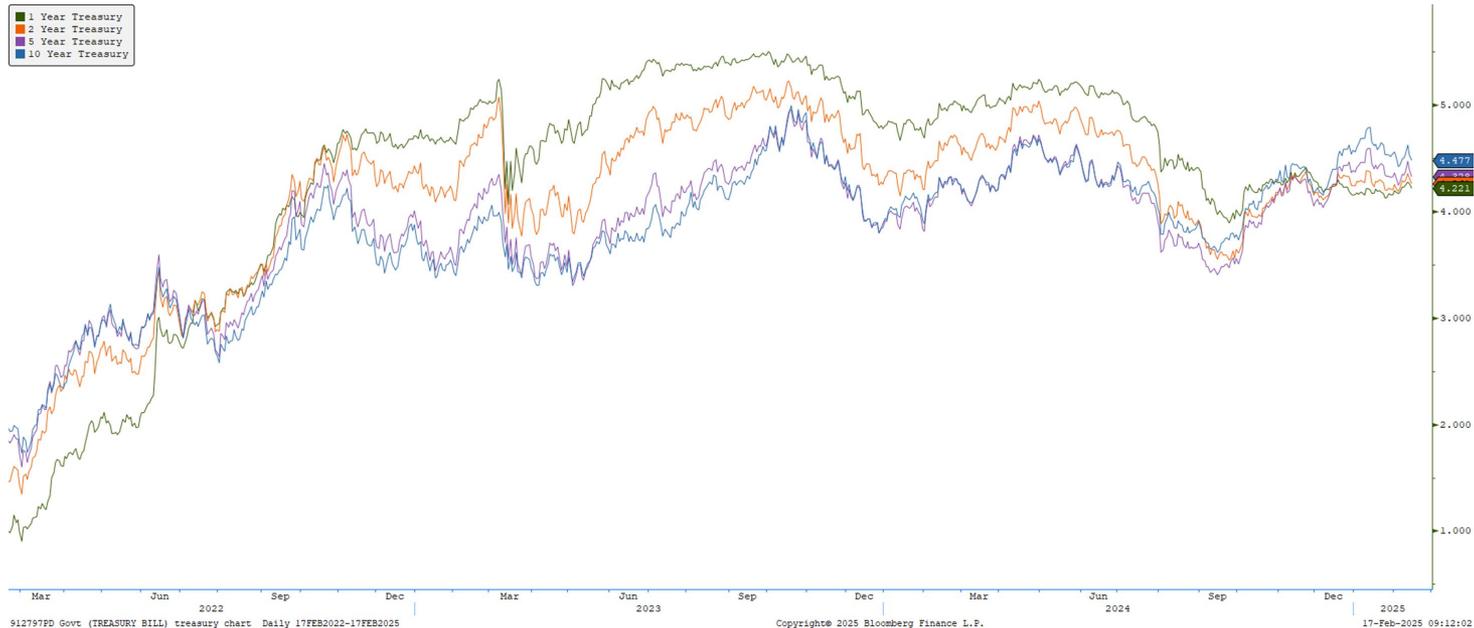
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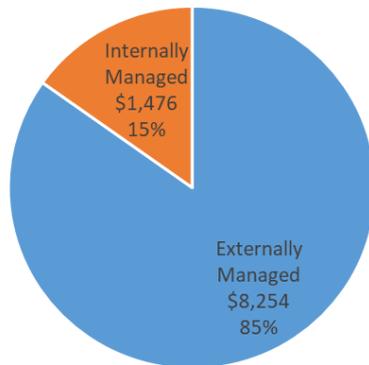
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Treasury & Agency Securities	3,203	2,861	341	33%
Municipal Bonds	348	365	(17)	4%
Non-Agency MBS, CLO and ABS	445	468	(23)	5%
Money Market Funds and Cash	1,345	1,715	(371)	14%

(\$ in Millions)

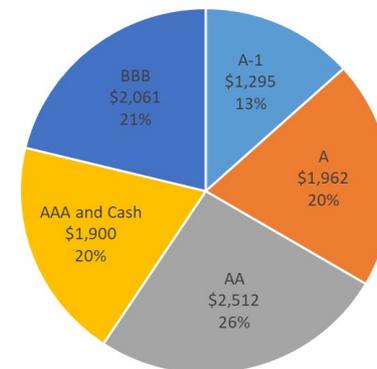
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Total Portfolio Composition (\$ in Millions)



Total Portfolio Credit Quality Distribution (\$ in Millions)

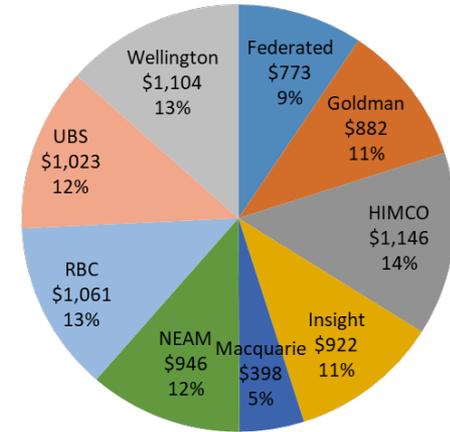


INVESTMENT MANAGERS PORTFOLIO SUMMARY AS OF JANUARY 31, 2025

- \$8.25 billion is managed by 9 external investment managers.

Investment Manager	Liquidity Fund	Claims-Paying Fund	Total	Percentage of Total Portfolio
Federated	\$773	\$0	\$773	9%
Goldman	\$0	\$882	\$882	11%
HIMCO	\$1,146	\$0	\$1,146	14%
Insight	\$0	\$922	\$922	11%
Macquarie	\$0	\$398	\$398	5%
NEAM	\$0	\$946	\$946	11%
RBC	\$0	\$1,061	\$1,061	13%
UBS	\$0	\$1,023	\$1,023	12%
Wellington	\$504	\$600	\$1,104	13%
Grand Total	\$2,423	\$5,831	\$8,254	100%

Total Externally Managed Portfolio Composition
(\$ in Millions)



(\$ in Millions)

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

PORTFOLIO RETURNS SUMMARY AS OF JANUARY 31, 2025

- As of January 31, the total portfolio duration is 2.39 years. The 2024 year-end portfolio duration was 2.40 years.
- 1-year total return and income return is 4.41% and 3.51%, respectively.
- For YTD as of January 31, the total return and income return is 0.45% and 0.28%, respectively.

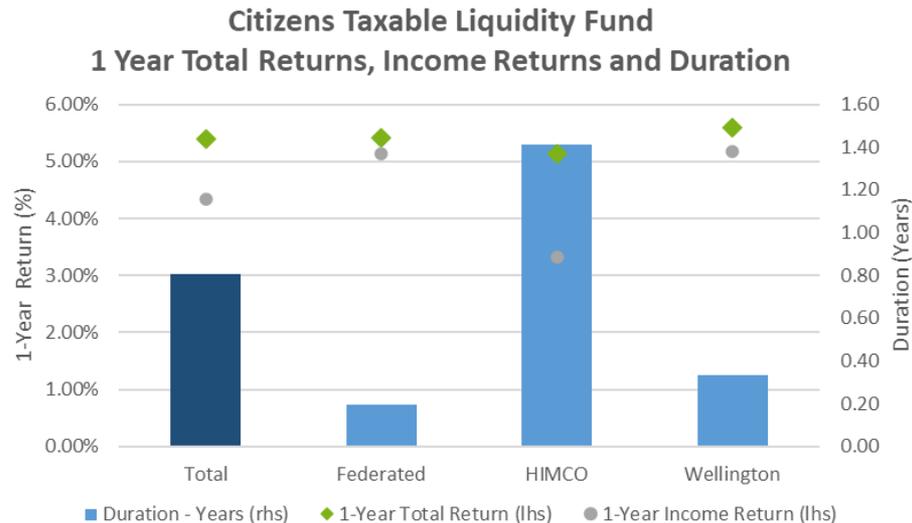
Citizens Portfolio	Duration (Years)	S&P	Moody's	Fitch	Total Return (%)					Income Return (%)				
					1 month	3 months	1 Year	2 Years	3 Years	1 month	3 months	1 Year	2 Years	3 Years
Total	2.39	AA-	Aa3	AA-	0.45	0.81	4.41	4.27	1.08	0.28	0.86	3.51	3.26	2.92

Note: The returns for the periods greater than 1 year are annualized, and the remaining returns are actual for each reference period.

LIQUIDITY PORTFOLIO INVESTMENT MANAGER RETURNS SUMMARY

- As of January 31, the Liquidity portfolio duration is 0.81 years.
- 1-year total return and income return is 5.40% and 4.34%, respectively.
- For YTD as of January 31, the total return and income return is 0.40% and 0.35%, 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	0.20	773	0.37	1.17	5.41	5.23	0.41	1.24	5.14	4.71
HIMCO	1.41	1,146	0.43	1.04	5.14	4.68	0.29	0.88	3.32	2.90
Wellington	0.33	504	0.38	1.20	5.59	5.42	0.41	1.24	5.17	4.69
Total	0.81	2,423	0.40	1.12	5.40	5.05	0.35	1.07	4.34	3.96



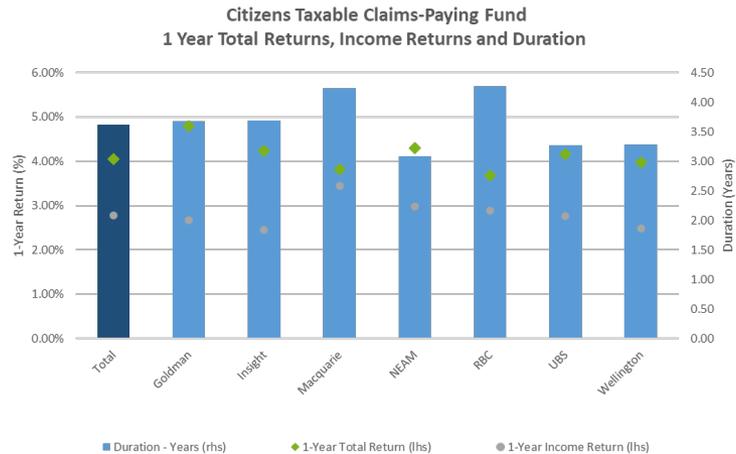
Notes:

- 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

- As of January 31, the Claims-Paying portfolio duration is 3.62 years.
- 1-year total return and income return is 4.05% and 2.77%, respectively.
- For YTD as of January 31, the total return and income return is 0.49% and 0.23%, 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	3.68	882	0.53	0.60	4.80	4.41	0.23	0.68	2.67	2.60
Insight	3.69	922	0.48	0.54	4.24	3.81	0.19	0.68	2.46	2.22
Macquarie	4.23	398	0.52	0.54	3.82	4.00	0.28	0.84	3.44	3.15
NEAM	3.08	946	0.50	0.73	4.30	4.04	0.26	0.76	2.98	2.83
RBC	4.27	1,061	0.50	0.44	3.68	3.82	0.23	0.69	2.89	2.84
UBS	3.27	1,023	0.48	0.64	4.17	3.91	0.24	0.71	2.77	2.66
Wellington	3.29	600	0.45	0.66	3.98	4.01	0.21	0.62	2.48	2.36
Total	3.62	5,831	0.49	0.59	4.05	3.96	0.23	0.70	2.77	2.63



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 7 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 \$9.73 billion and average duration is 2.39 years.
- 44% of the portfolio, or \$4.25 billion, matures within 1 year.
- 20% of the portfolio, or \$1.98 billion, matures between 1 and 3 years.
- 13% of the portfolio, or \$1.28 billion, matures between 3 and 5 years.
- 19% of the portfolio, or \$1.88 billion, matures between 5 and 10 years.
- 3% of the portfolio, or \$0.33 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

As of 2/13/2025:

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
CELANESE US HOLDINGS LLC	3/15/2025, 6/15/2027	Insight	Ba1	BB+	BBB-	5,893,003	5,843,373	(49,630)
PARAMOUNT GLOBAL	1/15/2031	Wellington, Macquarie	Baa3	BB+	BBB-	3,278,755	2,825,268	(453,487)

The highlighted ratings are out of compliance. The investment managers are not required to sell the 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.