

# Citizens Investment Summary

December 2025



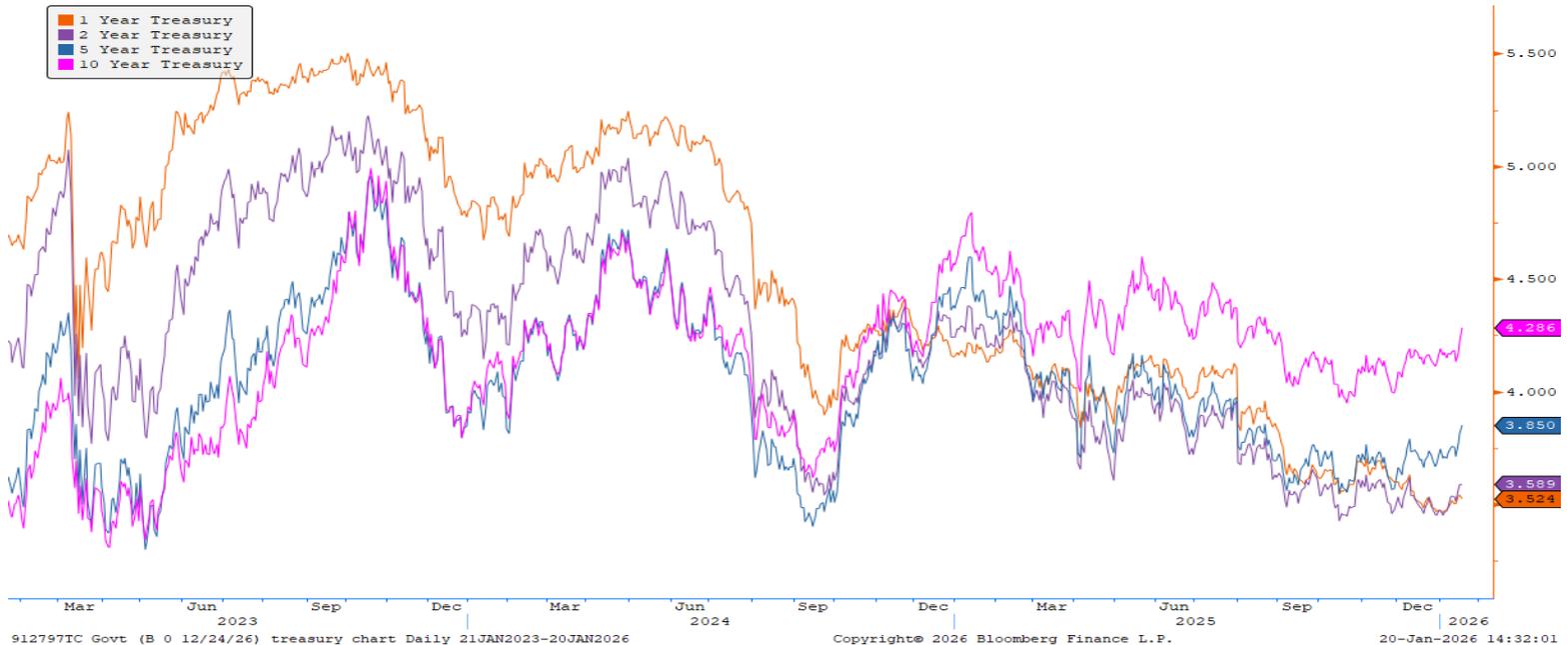
## EXECUTIVE SUMMARY

- Citizens' total portfolio market value for December 2025 was \$8.84 billion (prior month: \$9.08 billion) with an average duration of 2.23 years (prior month: 2.22 years) and average credit ratings of AA-/Aa3/AA-.
  - 86% or \$7.58 billion of the total portfolio was managed by 8 external investment managers, with an average duration of 2.61 years.
  - 14% or \$1.26 billion was internally managed with average credit ratings of AAA/Aaa/AAA.
- 1-year total and income return of the total portfolio as of December 2025 was 6.07% and 3.36%, respectively. Average assets were \$9.5 billion in 2025.
- 2-Year and 3-Year income return as of December 2025 was 3.43% and 3.27%, respectively.
- The portfolio provides sufficient liquidity to pay any potential claims with 34% or \$3.03 billion of the portfolio maturing within six months, 8% or \$0.74 billion in six months to one year, and an additional 23% or \$2.07 billion in one to three years.
- The projected income return for 2026 is approximately 3.2%.

# INTEREST RATES

From the middle of January 2025 to the middle of January 2026,  
 The 1-year, 2-year, 5-year and 10-year US Treasury rates decreased by 69, 70, 58 and 34 basis points, respectively.

Rates	As of 01/20/2026	3-Month Prior	1-Year Prior	3-Year Average	3-Month Change
1-Yr US Treasury	3.52	3.56	4.21	4.54	(0.03)
2-Yr US Treasury	3.59	3.46	4.29	4.26	0.13
5-Yr US Treasury	3.85	3.57	4.43	4.04	0.28
10-Yr US Treasury	4.29	3.98	4.63	4.16	0.31



912797TC Govt (B 0 12/24/26) treasury chart Daily 21JAN2023-20JAN2026

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# PORTFOLIO SUMMARY AS OF DECEMBER 31, 2025

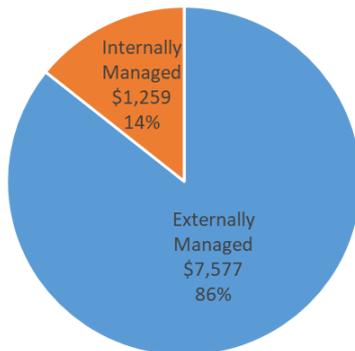
Security Description	Current Month Market Value	Prior Month Market Value	Month-to-Month Change	Current Month Weight (%)
<b>Total</b>	<b>\$8,836</b>	<b>\$9,075</b>	<b>(\$239)</b>	<b>100%</b>
Corporate Bonds, Commercial Paper, CDs, & Foreign Govt Securities	4,385	4,359	26	50%
Treasury & Agency Securities	2,468	2,701	(233)	28%
Municipal Bonds	282	284	(2)	3%
Non-Agency MBS, CLO and ABS	516	509	7	6%
Money Market Funds and Cash	1,186	1,223	(37)	13%

(\$ in Millions)

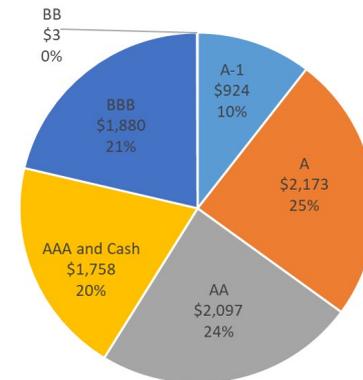
Notes:

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 DECEMBER 31, 2025

- As of December 31, the total portfolio duration was 2.23 years. The 2024 year-end portfolio duration was 2.40 years.
- 1-year total return and income return was 6.07% and 3.36%, 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
<b>Total</b>	<b>2.23</b>	<b>AA-</b>	<b>Aa3</b>	<b>AA-</b>	<b>0.25</b>	<b>1.14</b>	<b>6.07</b>	<b>5.09</b>	<b>5.42</b>	<b>0.27</b>	<b>0.82</b>	<b>3.36</b>	<b>3.43</b>	<b>3.27</b>

*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**

**December 2025**



## EXECUTIVE SUMMARY

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  - 14% or \$1.26 billion was internally managed with average credit ratings of AAA/Aaa/AAA.
- 1-year total and income return of the total portfolio as of December 2025 was 6.07% and 3.36%, respectively. Average assets were \$9.5 billion in 2025.
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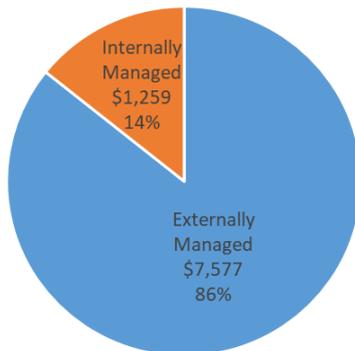
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Corporate Bonds, Commercial Paper, CDs, & Foreign Govt Securities	4,385	4,359	26	50%
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(\$ in Millions)

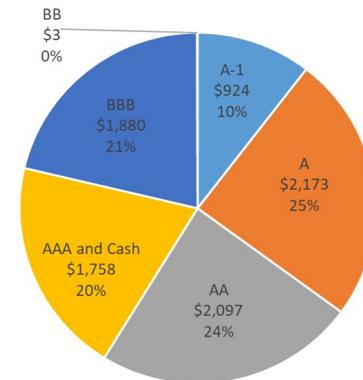
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1. Month-to-month changes can be driven by transfers of funds from one category of securities to another.
2. Numbers may not add up due to rounding.

**Total Portfolio Composition**  
(\$ in Millions)



**Total Portfolio Credit Quality Distribution**  
(\$ in Millions)



## INVESTMENT MANAGERS PORTFOLIO SUMMARY AS OF DECEMBER 31, 2025

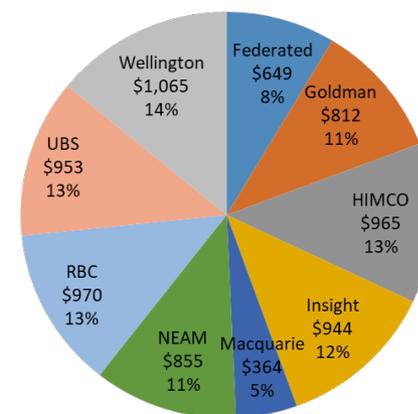
- \$7.58 billion was managed by 8 external investment managers, excluding Macquarie <sup>1</sup>.

Investment Manager	Liquidity Fund	Claims-Paying Fund	Total	Percentage of Total Portfolio
Federated	\$649	\$0	\$649	9%
Goldman	\$0	\$812	\$812	11%
HIMCO	\$965	\$0	\$965	13%
Insight	\$0	\$944	\$944	12%
Macquarie <sup>1</sup>	\$0	\$364	\$364	5%
NEAM	\$0	\$855	\$855	11%
RBC	\$0	\$970	\$970	13%
UBS	\$0	\$953	\$953	13%
Wellington	\$427	\$638	\$1,065	14%
<b>Grand Total</b>	<b>\$2,041</b>	<b>\$5,536</b>	<b>\$7,577</b>	<b>100%</b>

(\$ in Millions)

<sup>1</sup> The contract with Macquarie was terminated on 10/31/25 and the funds were internally managed until they were transferred to two external managers, AllianceBernstein and Conning on 1/26/26.

**Total Externally Managed Portfolio Composition**  
(\$ in Millions)



## PORTFOLIO RETURNS SUMMARY AS OF DECEMBER 31, 2025

- As of December 31, the total portfolio duration was 2.23 years. The 2024 year-end portfolio duration was 2.40 years.
- 1-year total return and income return was 6.07% and 3.36%, respectively.

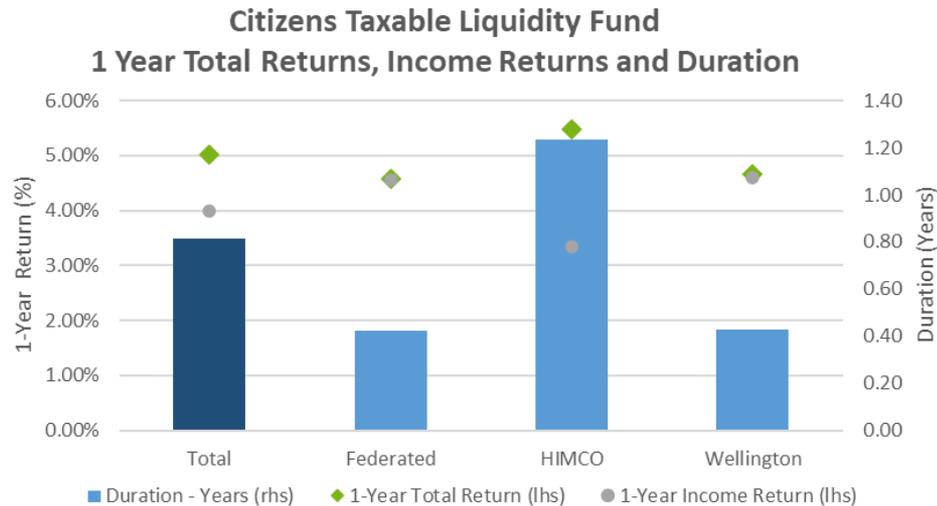
Citizens Portfolio	Duration (Years)	S&P	Moody's	Fitch	Total Return (%)					Income Return (%)				
					1 month	3 months	1 Year	2 Years	3 Years	1 month	3 months	1 Year	2 Years	3 Years
<b>Total</b>	<b>2.23</b>	<b>AA-</b>	<b>Aa3</b>	<b>AA-</b>	<b>0.25</b>	<b>1.14</b>	<b>6.07</b>	<b>5.09</b>	<b>5.42</b>	<b>0.27</b>	<b>0.82</b>	<b>3.36</b>	<b>3.43</b>	<b>3.27</b>

*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 December 31, the Liquidity portfolio duration was 0.81 years.
- 1-year total return and income return was 5.01% and 3.99%, 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	0.42	649	0.39	1.11	4.57	4.98	0.36	1.08	4.56	4.84
HIMCO	1.24	965	0.34	1.13	5.49	5.19	0.27	0.82	3.35	3.30
Wellington	0.43	427	0.44	1.12	4.66	5.16	0.34	1.05	4.60	4.88
<b>Total</b>	<b>0.81</b>	<b>2,041</b>	<b>0.37</b>	<b>1.11</b>	<b>5.01</b>	<b>5.16</b>	<b>0.31</b>	<b>0.95</b>	<b>3.99</b>	<b>4.15</b>



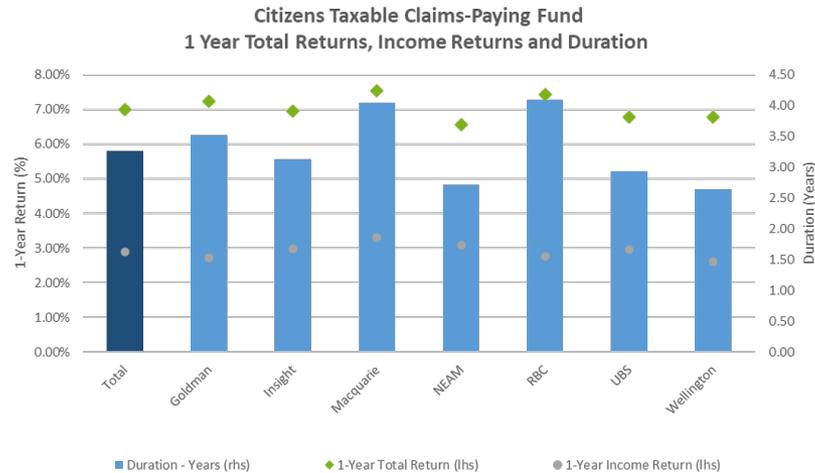
**Notes:**

- 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 December 31, the Claims-Paying portfolio duration was 3.26 years.
- 1-year total return and income return was 7.01% and 2.9%, 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	3.52	812	0.18	1.22	7.24	5.77	0.22	0.66	2.72	2.69
Insight	3.13	944	0.19	1.20	6.96	5.38	0.27	0.80	2.99	2.69
Macquarie	4.05	364	0.11	1.21	7.53	5.38	0.26	0.80	3.31	3.37
NEAM	2.72	855	0.23	1.21	6.56	5.18	0.26	0.75	3.09	3.01
RBC	4.10	970	0.09	1.12	7.43	5.24	0.21	0.68	2.76	2.82
UBS	2.94	953	0.22	1.19	6.77	5.23	0.24	0.72	2.95	2.84
Wellington	2.64	638	0.25	1.22	6.78	5.29	0.22	0.65	2.62	2.54
<b>Total</b>	<b>3.26</b>	<b>5,536</b>	<b>0.18</b>	<b>1.19</b>	<b>7.01</b>	<b>5.28</b>	<b>0.24</b>	<b>0.72</b>	<b>2.90</b>	<b>2.81</b>



**Notes:**

- The contract with Macquarie was terminated on 10/31/25 and the funds were transferred to AllianceBernstein and Conning on 1/26/26.
- 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.

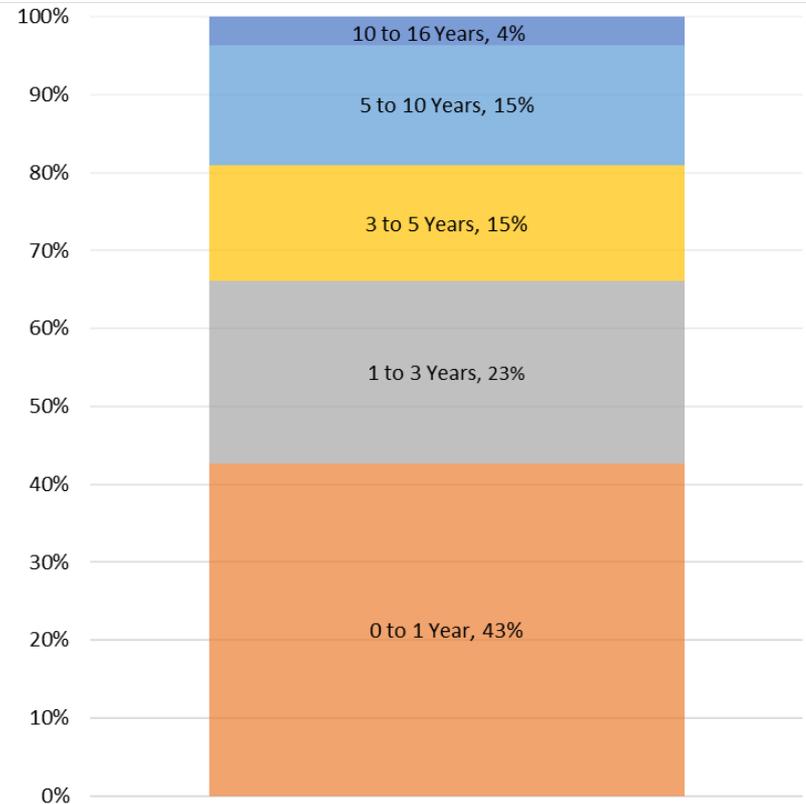
## PORTFOLIO MATURITY DISTRIBUTION

- Citizens' total portfolio is \$8.8 billion and average duration is 2.23 years.
- 43% of the portfolio, or \$3.77 billion, matures within 1 year.
- 23% of the portfolio, or \$2.07 billion, matures between 1 and 3 years.
- 15% of the portfolio, or \$1.32 billion, matures between 3 and 5 years.
- 15% of the portfolio, or \$1.36 billion, matures between 5 and 10 years.
- 4% of the portfolio, or \$0.32 billion, matures between 10 and 16 years.

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



Citizens Investment Portfolio Maturity Distribution –  
Percent



**Notes:**

1. The 0 to 1 Year group includes cash and money market funds.
2. Numbers may not add up due to rounding.

## DOWNGRADED SECURITIES

As of 01/20/2026:

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
DISCOVERY COMMUNICATIONS LLC	3/20/2028	Wellington	Ba2	BB	BB+	2,672,466	2,542,073	(130,392)
PARAMOUNT GLOBAL	1/15/2031	Wellington, Macquarie	Baa3	BB+	BBB-	3,231,594	2,828,095	(403,499)
WHIRLPOOL CORP	5/15/2031	Macquarie	Ba1	BB	BB+	1,038,988	874,515	(164,473)
<b>Total</b>						<b>\$6,943,047</b>	<b>\$6,244,683</b>	<b>(698,364)</b>

*Note: The contract with Macquarie was terminated on 10/31/25 and the funds were transferred to AllianceBernstein and Conning on 1/26/26.*

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.