

Citizens Investment Summary

May 2024



EXECUTIVE SUMMARY

- Citizens' total portfolio market value for May 2024 was \$10.06 billion (prior month: \$9.72 billion) with an average duration of 2.74 years (prior month: 2.81 years) and average credit ratings of AA-/Aa3/AA-.
 - 84% or \$8.43 billion of the total portfolio is managed by 9 external investment managers, with an average duration of 3.08 years
 - 16% or \$1.63 billion is internally managed with an average duration of 0.25 years and average credit ratings of AAA/Aaa/AAA.
- 1-year income and total return of the total portfolio as of May 2024 is 3.34% and 4.24%, respectively. YTD average assets are \$9.7 billion.
- The portfolio provides sufficient liquidity to pay any potential claims with 31% or \$3.12 billion of the portfolio maturing within six months, 11% or \$1.13 billion in six months to one year, and an additional 21% or \$2.11 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 June 2023 to middle of June 2024,

The 1-year US Treasury rate has decreased by 5 basis points. 2-year, 5-year, and 10-year US Treasury rates have increased by 10, 36, and 53 basis points, respectively.

Rates	As of 6/12/24	3-Month Prior	1-Year Prior	3-Year Average	3-Month Change
1-Yr US Treasury	5.16	5.00	5.21	3.38	0.16
2-Yr US Treasury	4.68	4.59	4.58	3.29	0.09
5-Yr US Treasury	4.26	4.15	3.90	3.17	0.11
10-Yr US Treasury	4.27	4.15	3.74	3.21	0.12



PORTFOLIO SUMMARY AS OF MAY 31, 2024

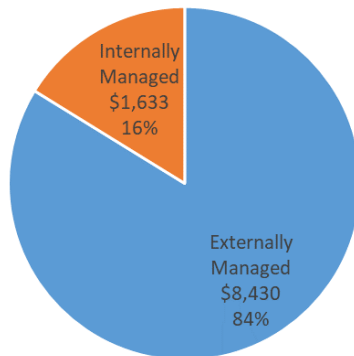
Security Description	Current Month Market Value	Prior Month Market Value	Month-to-Month Change	Current Month Weight (%)
Total	\$10,063	\$9,715	\$348	100%
Corporate Bonds, Commercial Paper, CDs, & Foreign Govt Securities	4,606	4,580	25	46%
Treasury & Agency Securities	3,363	3,619	(256)	33%
Municipal Bonds	493	487	6	5%
Non-Agency MBS, CLO and ABS	452	421	31	4%
Money Market Funds	1,134	593	541	11%
Cash	16	14	1	0%

(\$ in Millions)

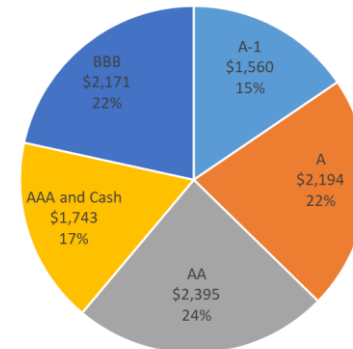
Notes:

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 MAY 31, 2024

- The total portfolio duration is 2.74 years as of May 31. The 2023 year-end portfolio duration was 2.96 years.
- 1-year total return and income return is 4.24% and 3.34%, 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	2.74	AA-	Aa3	AA-	0.94	0.88	4.24	2.27	0.29	0.85	3.34	2.88

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

May 2024



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 - 16% or \$1.63 billion is internally managed with an average duration of 0.25 years and average credit ratings of AAA/Aaa/AAA.
- 1-year income and total return of the total portfolio as of May 2024 is 3.34% and 4.24%, respectively. YTD average assets are \$9.7 billion.
- The portfolio provides sufficient liquidity to pay any potential claims with 31% or \$3.12 billion of the portfolio maturing within six months, 11% or \$1.13 billion in six months to one year, and an additional 21% or \$2.11 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%.

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PORTFOLIO SUMMARY AS OF MAY 31, 2024

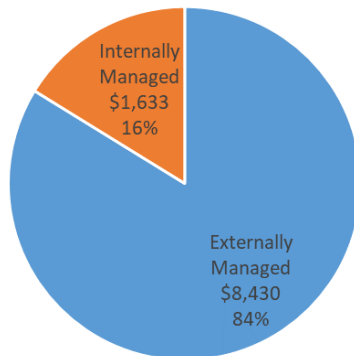
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(\$ in Millions)

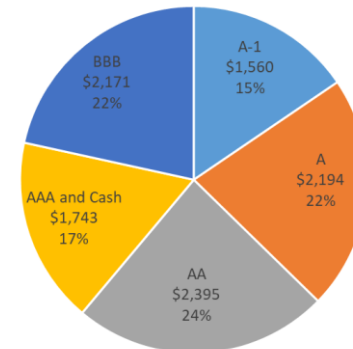
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Total Portfolio Composition (\$ in Millions)



Total Portfolio Credit Quality Distribution (\$ in Millions)



INVESTMENT MANAGERS PORTFOLIO SUMMARY AS OF MAY 31, 2024

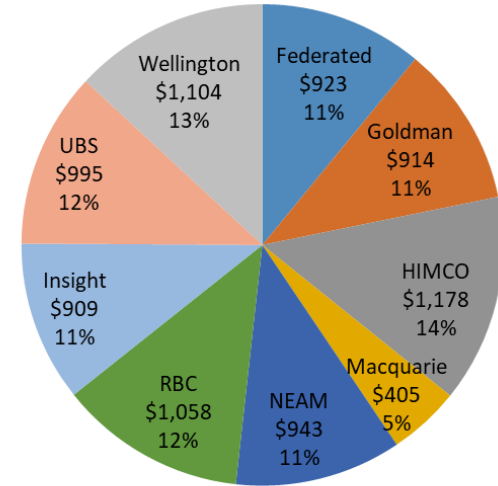
- \$8.43 billion is managed by 9 external investment managers.

Investment Manager	Liquidity Fund	Claims-Paying Fund	Total	Percentage of Total Portfolio
Federated	\$923	\$0	\$923	11%
Goldman	\$0	\$914	\$914	11%
HIMCO	\$1,178	\$0	\$1,178	14%
Macquarie	\$0	\$405	\$405	5%
NEAM	\$0	\$943	\$943	11%
RBC	\$0	\$1,058	\$1,058	13%
Insight	\$0	\$909	\$909	11%
UBS	\$0	\$995	\$995	12%
Wellington	\$524	\$580	\$1,104	13%
Grand Total	\$2,625	\$5,805	\$8,430	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 MAY 31, 2024

- The total portfolio duration is 2.74 years as of May 31. The 2023 year-end portfolio duration was 2.96 years.
- 1-year total return and income return is 4.24% and 3.34%, 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	2.74	AA-	Aa3	AA-	0.94	0.88	4.24	2.27	0.29	0.85	3.34	2.88

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

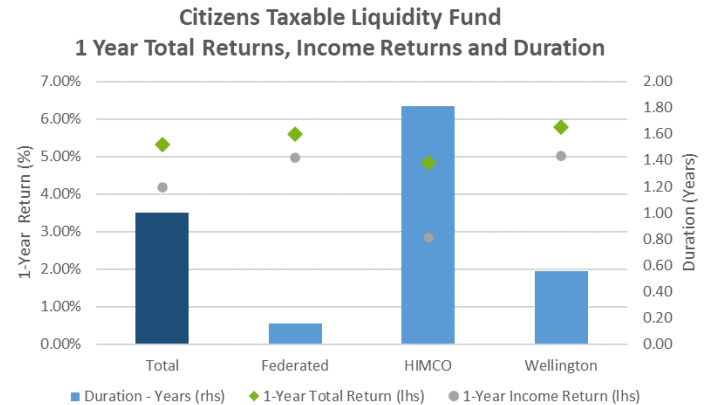
- Notes:
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 2. 2020-2021 total portfolio's income returns include interest income, amortization of premium bonds, accretion of discount bonds and realized gain/loss. They are net of investment manager fees and calculated using Citizens' financial statements.
 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 1.0 years as of May 31.
- 1-year total return and income return is 5.32% and 4.18%, 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	0.16	923	0.47	1.37	5.60	4.00	0.42	1.30	4.97	3.81
HIMCO	1.81	1,178	0.78	1.11	4.82	2.61	0.26	0.77	2.85	2.49
Wellington	0.56	524	0.50	1.34	5.79	4.09	0.43	1.29	5.01	3.69
Total	1.00	2,625	0.61	1.28	5.32	3.44	0.35	1.08	4.18	3.28

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.

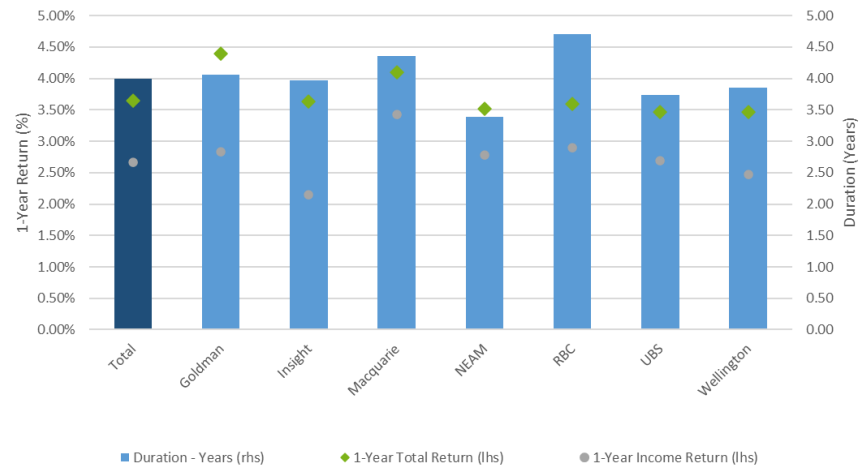
CLAIMS-PAYING PORTFOLIO INVESTMENT MANAGER RETURNS SUMMARY

- The Claims-Paying portfolio duration is 4.0 years as of May 31.
- 1-year total return and income return is 3.65% and 2.66%, 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	4.06	914	1.27	1.01	4.39	2.43	0.22	0.70	2.83	2.61
Insight	3.97	909	1.10	0.63	3.63	1.79	0.20	0.58	2.15	1.94
Macquarie	4.36	405	1.32	0.67	4.10	2.01	0.28	0.85	3.43	3.02
NEAM	3.39	943	1.10	0.78	3.51	1.57	0.25	0.76	2.78	2.68
RBC	4.71	1,058	1.44	0.64	3.60	1.38	0.29	0.77	2.89	2.73
UBS	3.74	995	1.16	0.75	3.47	1.43	0.23	0.71	2.69	2.56
Wellington	3.85	580	1.19	0.60	3.46	1.46	0.21	0.61	2.47	2.30
Total	4.00	5,806	1.22	0.67	3.65	1.59	0.24	0.70	2.66	2.53

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

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



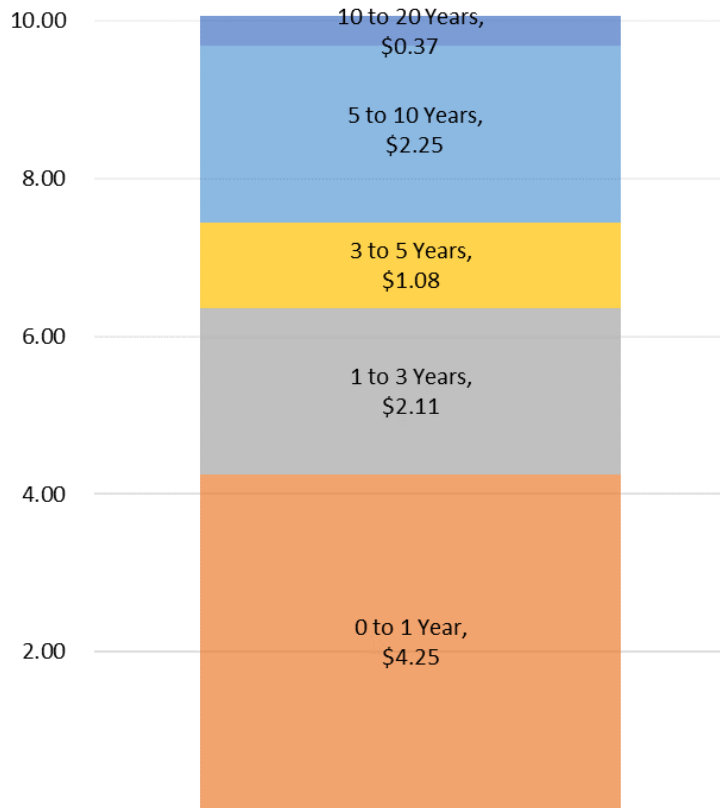
Notes:

- 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.
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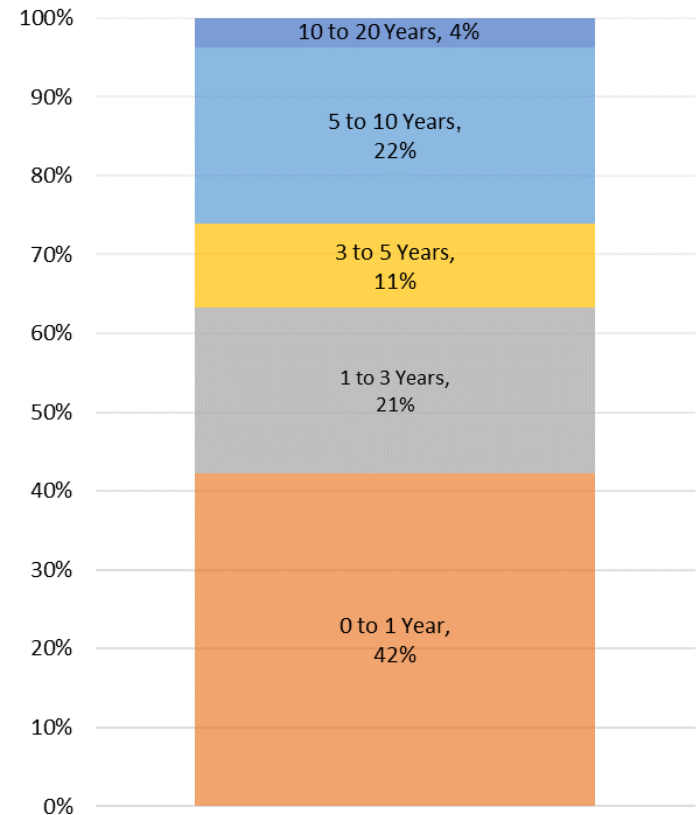
PORTFOLIO MATURITY DISTRIBUTION

- Citizens' total portfolio is \$10.06 billion and average duration is 2.74 years.
- 42% of the portfolio, or \$4.25 billion, matures within 1 year.
- 21% of the portfolio, or \$2.11 billion, matures between 1 and 3 years.
- 11% of the portfolio, or \$1.08 billion, matures between 3 and 5 years.
- 22% of the portfolio, or \$2.25 billion, matures between 5 and 10 years.
- 4% of the portfolio, or \$0.37 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 6/12/2024:

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
PARAMOUNT GLOBAL	01/15/2031	Wellington, Macquarie	Baa3	BB+	BBB-	3,311,991	2,653,968	(658,024)

The highlighted rating is 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.