



Non-Employee Director and Executive Officer

Stock Ownership Guidelines

Effective Date: March 8, 2022

Purpose

The Board of Directors (the "Board") of Citizens, Inc. (the "Company") believes that it is in the best interest of the Company to align the financial interests of the non-employee members of the Board and Section 16 executive officers (collectively, "Covered Individuals") with those of the Company's shareholders.

Minimum Ownership Guidelines

Accordingly, the Board has established the following Stock Ownership Guidelines for the amount of Citizens' Class A common stock that Covered Individuals shall hold, in each case, divided by the "Closing Price", rounded to the nearest 100 shares:

- Non-employee Director – 2.5x annual cash retainer
- Chief Executive Officer – 3x base salary
- Other Section 16 Executive Officers – 1x base salary

Respectively, for each, the "Minimum Ownership Requirement".

Satisfaction of Guidelines

Covered Individuals may satisfy the Minimum Ownership Requirement with Class A common stock held in the following categories:

- Shares owned directly;
- Shares owned indirectly (e.g., by a spouse or a trust) if the Covered Individual has a pecuniary interest in such shares;
- Time vested restricted stock units granted under the Company's incentive plans or other equity compensation arrangements.

Accumulation Period

All persons who are Covered Individuals as of the Effective Date shall have five (5) years from the Effective Date to accumulate the Minimum Ownership Requirement. Persons who become Covered Individuals after the Effective Date shall have five (5) years from the date such person became a Covered Individual to accumulate the Minimum Ownership Requirement.

Calculation of Minimum Ownership Requirement

The Minimum Ownership Requirement for each Covered Individual is initially calculated using (i) the annual cash retainer for each non-employee director as of the date such person is first elected as a director, and (ii) an executive officer's base salary as of the date such person is first appointed as a Section 16 officer. The Minimum Ownership Requirement is then recalculated (A) each April 1 for non-employee directors, and (B) the January 1 immediately following the third anniversary of the most recent calculation for Section 16 officers. In addition, the Minimum Ownership Requirement is also recalculated as of the date on which a Covered Individual's annual cash retainer or base salary, as applicable, changes.

Because share prices of all companies are subject to market volatility, the "Closing Price" for purpose of the Minimum Ownership Requirement calculation means the higher of (a) the closing price of Citizens' Class A common stock as reported on NYSE on the trading day immediately preceding the date of calculation, and (b) the average closing price of Citizens' Class A common stock as reported on NYSE for the 3-year period immediately preceding (and ending on the trading date immediately prior to) the date of calculation.

In the event there is a significant decline in the Company's stock price that causes a Covered Individual's holdings to fall below the applicable Minimum Ownership Requirement, such Covered Individual will not be required to purchase additional shares to meet the Minimum Ownership Requirement, but such Covered Individual shall not sell or transfer any shares (other than shares withheld / sold to satisfy tax obligations upon exercise or vesting event) until the Minimum Ownership Requirement has again been achieved. Compliance with these Stock Ownership Guidelines will be evaluated on an annual basis, as determined by the Compensation Committee, and not on a running basis.

Retention Guideline

Unless a Covered Individual has satisfied his or her applicable Minimum Ownership Requirement, such Covered Individual is required to retain an amount equal to 50% of the net shares received (shares net of shares withheld / sold to satisfy tax obligations upon exercise or vesting event) following the exercise of options, the vesting of restricted stock units or the vesting of performance share units. Except as otherwise set forth herein, after achievement of the Minimum Ownership Requirement, Covered Individuals must continue to retain enough shares to maintain such Minimum Ownership Requirement while serving as a Covered Individual.

Administration

The Compensation Committee shall be responsible for monitoring the application of these Stock Ownership Guidelines. That Committee shall prepare a report on compliance with the Stock Ownership Guidelines, at least once per year, and deliver the report to the Board. The Compensation Committee may make changes to this Policy, as it deems appropriate, including granting exceptions to the Minimum Ownership Requirements on a case-by-case basis.