



**ANNUAL REPORT
TO MEMBERS 2025**





ON THE COVER

After graduating from the U.S. Naval Academy, Katie Cook became the first female pilot in the U.S. Navy Blue Angels. She comes from a military family with three generations of service and USAA membership.

TOP LEFT

Katie Cook, far right, is part of the third generation of a military family that includes her parents, Bill and Jan Johnson (left and center left), and husband, Dusty (center right).

BOTTOM LEFT

U.S. Army veteran Daniel "Rags" Ragsdale and his wife, Cindy, are part of a military family with four generations of service and USAA membership.



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A Message From Our Chairman



Over a century ago, 25 soldiers gathered with a simple but powerful commitment: to take care of their own. They founded USAA on the belief that those who serve, as well as their families, deserve an Association as strong and dependable as they are. In 2025, that founding commitment was not only tested — it was reaffirmed through deliberate actions to strengthen how USAA serves its members and the military community.

In 2025, USAA continued to demonstrate the strength of that commitment — remaining financially strong, returning significant value to members and continuing to serve the military community with focus and discipline. At the same time, the year unfolded against a challenging backdrop, as USAA responded to 62 catastrophes — paying nearly \$5 billion in losses and handling 233,000 catastrophe-related claims — alongside rising repair costs, economic uncertainty and continued financial pressure on military families.

In this environment, the Association took purposeful steps to sharpen its focus on members and ensure that decisions, investments and operations are aligned with delivering meaningful value to those it serves. This was a deliberate and forward-looking emphasis that is evident in the actions taken throughout the year and in the progress members are beginning to experience.



As Chairman, my primary responsibility, alongside the Board of Directors, is to ensure USAA has the right leader, the right strategic focus and sets the highest standard of service and financial strength necessary to deliver on its promises. That responsibility extends beyond a single year's results. It requires disciplined governance, prudent risk management and a long-term view that means the Association will be here for generations to come.

Despite volatility across the banking and insurance industries, USAA's strength allowed it to return a record \$3.8 billion to members in financial rewards. Recognizing that many military families continue to face higher costs across nearly every aspect of life, the Association took steps to provide relief through stabilizing and reducing auto premiums in many locations, expanded savings opportunities and enhanced product offerings. It also continued working with suppliers, industry partners and policymakers to address the root causes driving higher insurance costs, while improving operational efficiency to better serve members.

On Veterans Day, USAA launched Honor Through Action — a five-year, \$500 million commitment to strengthen the military community. This initiative reflects the belief that service does not end when the uniform comes off. It continues throughout a lifetime — and the Association's support must continue with it.

During my 13 years of Board service, including as Chairman, I have seen firsthand the dedication of the people who lead and serve this Association. USAA has been a constant throughout my own life of service. As a young Naval Academy graduate, I knew the next step after receiving a uniform was USAA insurance. Then, as now, it felt not only right — but wise.

Now, as a 54-year member, I have never been more confident in the Association's future. USAA remains grounded in its founding purpose of serving the needs of members while continuing to evolve — with a clear focus on strengthening member value, maintaining financial resilience and serving the changing needs of military families.

Looking ahead to 2026, the Board will continue to prioritize strong oversight of the Association's leaders, strategy and financial performance. We will support continued investment in capabilities that improve service and member outcomes, while maintaining the discipline required to navigate a complex and evolving environment.

Thank you for your membership, your trust and your service to our nation.

James M. Zortman
Vice Admiral, USN (Ret.)
Chairman of the Board

A Message From Our CEO



It is an honor to serve you as CEO of USAA. I took over in April 2025, and as I reflect on the past year, I do so with deep respect for the men and women who wear the uniform and the families who serve alongside them.

USAA exists to serve you. That responsibility is grounded in trust earned over generations and calls on us to deliver real value every day. You are at the center of every decision we make — from how we design products and deliver service to how we help protect your financial security and strengthen this Association for the long term.

In 2025, we made a deliberate choice to increase our focus on you — our members and the military community. This was a clear and proactive decision about how we operate, where we invest and how we design our products, services and experiences to better meet your needs. You are already seeing that shift in how we show up during moments of uncertainty and in the changes we are making across the Association.

Last year, many military families felt real financial strain. Home and auto repairs grew more expensive, severe storms drove higher losses and rising claim costs and excessive litigation pushed insurance rates higher nationwide. These pressures were felt in Permanent Change of Station (PCS) moves, deployment planning and the day-to-day reality of managing a household budget.



At USAA, we believe in taking care of our own. That belief guided how we managed the Association in 2025 — with discipline, focus and a commitment to return value wherever possible, even as costs continued to rise across our industry.

We returned a historic \$3.8 billion to members in 2025, putting money back into the hands of those we serve. We also strengthened our core offerings — from insurance coverage and prevention capabilities to banking products, rewards and financial guidance — to help you lower costs, reduce risk and make better informed decisions. This is the value of membership at work.

When federal pay disruptions created uncertainty for service members and their families last year, we moved quickly — providing nearly \$450 million in financial relief to ensure members had access to the funds they needed. And as new disruptions arise in 2026, we remain ready to support military families the way you expect us to. Already this year, we have provided nearly \$15 million in additional relief.

We also improved how we serve you. We accelerated work to simplify digital experiences, improve claims processing and make it easier for you to do business with USAA when you need us most. That includes making it easier to file a claim, reducing the information you need to provide and improving how quickly we assess damage and issue payments.

Looking ahead, we are building on that progress. We are making it easier to report a claim and get help right away, while expanding digital tools that reduce paperwork and help you see and manage your accounts in one place. We are also strengthening how our insurance, banking and financial advice capabilities work together to serve you more seamlessly.

You will see this in how our products and services deliver for you every day. In Property and Casualty, we are enhancing our auto offerings with expanded coverages, faster quoting and improvements built into USAA SafePilot®, our usage-based program, to help you better manage and potentially lower your premiums. In our Bank, we are improving credit cards, checking and savings accounts, and loans with improved rewards, competitive savings options and tools to help you manage spending and build a stronger financial footing. We are also expanding tools that help prevent problems before they happen, such as Connected Home solutions that help detect water leaks and electrical hazards early to reduce risk and help you avoid costly damage.

For military families on the move, we are developing new solutions to make PCS moves easier. These include better planning tools, options to manage short-term financial strain, enhanced property coverage options and a more integrated digital experience to help you plan, protect your belongings and manage costs with greater confidence.

At the same time, we are clear-eyed about the challenges facing the insurance industry. Increased catastrophe frequency, higher repair and medical costs, and escalating litigation continue to drive prices higher across the market. While some insurers have reduced their presence in certain states, USAA remains committed to serving members wherever military life takes you.

We are also advocating for solutions that address the underlying drivers of rising costs. We are working with policymakers to confront abusive legal practices and promote commonsense reforms that stabilize markets and protect military families. As these efforts take hold and conditions allow, our goal is to deliver premium decreases for a meaningful portion of our membership.

Our financial strength remains solid, and it enables us to keep investing in better service, new capabilities and returning value to you. It also supports our Honor Through Action commitment — a \$500 million effort to advance meaningful careers, financial security and well-being for the military community.

For more than a century, USAA has existed to serve those who serve — and that commitment remains clear and focused.

Thank you for your service to our nation and for the trust you place in USAA. We will continue to manage this Association with discipline, advocate on your behalf and work every day to earn that trust.

Juan C. Andrade
President & CEO, USAA



The Value of Membership

The value of USAA membership shows up in many ways, from great service and experiences to ways to help your money go further. To guide that commitment, we focus on five pillars — financial, experience, differentiated benefits, emotional and social. These pillars ensure we deliver value you can feel, from products that strengthen your financial readiness, to seamless experiences, to unique benefits tailored for the military community, and to support that builds connection and trust. They also help us deliver on our mission as a member-focused association and advocate for the military community.

**\$3.8
BILLION**

IN FINANCIAL REWARDS

USAA returned our largest financial rewards in history in 2025, putting money back in members' pockets. USAA's financial strength and discipline helped USAA return significant value to members and continue to invest in the association for the benefit of our members.

**Member Focused,
Mission Led**

USAA exists for one reason: to serve those who serve. We are the only financial services firm in the nation that combines banking, property and casualty insurance, and life insurance — all under one roof and all built exclusively for the military community.

~\$5 BILLION

USAA responded to 62 catastrophes in 2025, paying nearly \$5 billion in losses to our members while handling 233,000 catastrophe claims.

**\$465
MILLION**

USAA provided nearly \$450 million in no-interest loans and payment relief to those affected by the government shutdown in 2025. As of March 2026, USAA provided nearly \$15 million in additional relief to more than 7,500 members, bringing the total shutdown relief to nearly \$465 million and counting.

AUTO RATE CUTS

~Half of USAA policyholders are expected to see an auto premium decrease in 2026, depending on state and individual circumstances.

ADVANTAGES OF BUNDLING

Members can save up to 10% by bundling auto and homeowners / renters insurance¹ — a \$1.2 billion savings in 2025. You also can save by bundling home and life insurance policies.²

\$1.2 BILLION

Over the past five years, members saved \$1.24 billion using the USAA Perks® discount program. From everyday purchases to major travel adventures, members can save on shopping, travel, auto, home, health, moving and more.³

Dusty and Katie Cook, who were Blue Angel pilots, rely on USAA to protect his treasured 1981 Corvette, which they hope to pass down to one of their children.



Delivering Value and Enhancing Experiences



USAA keeps members at the heart of everything we do.

Long before Katie Cook was the first female pilot in the U.S. Navy Blue Angels, she was the third generation of a military family with service spanning four branches.

USAA has been there from the start, caring for her grandparents, parents, uncles and brother — all of whom have served, many as pilots.

From helping Cook get back on track after a car accident to fighting fraud on her parents' behalf, USAA protects what they fought for with one thing in mind: taking care of our own.

“There’s an unspoken bond between service members where you have each other’s back. That is the experience I have with USAA,” said Cook, a U.S. Naval Academy graduate who was the first female pilot in her family.

“We entrust USAA with our financial security and our family’s history.”

KATIE COOK

That peace of mind comes from being there in the moments that matter and providing security for the long haul. This is the value of USAA membership.

It takes many forms: Service and experiences from people who understand what it means to serve. A one-stop shop for insurance and banking built for military families. And pricing and guidance to stretch your dollar. Most importantly, it is about trust you can count on.

For Cook, that trust deepens with every experience. She relies on USAA for her financial needs, from managing her money using our bank accounts, credits cards and mobile app to staying protected through auto and life insurance policies.

She and her husband, Dusty, who also was a Blue Angel pilot, rely on USAA to protect his treasured 1981 Corvette, which one of their four children will one day inherit. Every time Katie orders flowers or plans a vacation, she uses [USAA Perks®](#) for member discounts.

Last year, USAA launched a veteran-led Member Value organization to deepen trust with members like the Cooks by enhancing our products and experiences and making it easier to do business with us.

The association also took steps to put money back in your pockets through a range of financial rewards and lower insurance premiums for millions of members — efforts that will go further, faster in 2026.

“

There's an unspoken bond between service members where you have each other's back. That is the experience I have with USAA.”

KATIE COOK

The military community serves and sacrifices, and USAA is there for you with one goal in mind: Taking care of our own.



Supporting Members

Our members serve and sacrifice for our country. We are by their side, especially when it matters most.

When the California wildfires erupted in January 2025, USAA helped those impacted rebuild their lives, paying nearly \$1.7 billion in claims and providing initial payment to a majority within nine days.

When the government shut down in October 2025, USAA stepped up. More than 127,000 members benefited from nearly \$450 million in no-interest loans, payment extensions and fee waivers in 2025. As of March 2026, USAA provided nearly \$15 million in relief to more than 7,500 members, bringing the total shutdown relief to nearly \$465 million and counting. We have updated the

no-interest loan process so the application does not affect your credit score. We stand ready to support eligible members whenever the need arises to bridge the gap for missed government paychecks.

And when USAA invested \$500 million over five years in Honor Through Action™, we became a role model and champion for the military community, supporting military family resiliency through meaningful careers, financial security and well-being. Through Honor Through Action and our alliance partners, we will drive outcomes through philanthropy, policy reform and industry partnerships.

Focused on Affordability

Military families continue to feel the strain of rising costs. USAA is helping members’

money go further in ways you can see and feel by lowering expenses on the essentials.

As the fifth-largest auto insurance carrier, USAA’s P&C company has stabilized and is reducing auto rates, even as severe weather, inflation, higher repair costs and legal system abuse continue to pressure the broader industry.

This year, approximately half of USAA policyholders are expected to see reductions in their six-month auto premiums, ranging from modest decreases to several hundred dollars in savings, depending on state and individual circumstances.

Programs like USAA SafePilot® and USAA SafePilot Miles™⁴ help members lower your premiums even further — averaging \$200 in savings on a six-month policy or \$400 for a year⁵ — based on how much or how safely you drive. These kinds of programs

also prevent loss in the first place by reinforcing safer driving habits.

Saving Members Money Every Day

We also help members save money on everyday expenses. Over the years, USAA Bank has eliminated or reduced some banking fees, putting more money back in members’ pockets. And in 2025, credit cards with APRs [that are lower than the industry average](#) saved members an estimated \$500 million in interest.

USAA Bank stands out for low costs and high value, offering deposit accounts with no monthly service fees or minimum balance requirements, along with access to more than 100,000 fee-free ATMs. If a non-network ATM charges a fee, we refund up to \$10 per month through bank rebates.⁶

The refreshed Cashback Rewards Plus American Express® Credit Card is projected to deliver nearly \$2 million in additional annual rewards in 2026 thanks to enhancements. Members can earn more cash back at gas stations, military bases and grocery stores.⁷ USAA Bank credit cards also [offer benefits](#) such as an insurance deductible reimbursement up to \$200 for a covered loss in most states and up to \$500 in cell phone protection reimbursement if your phone is stolen or damaged.^{8,9}

If a member is experiencing a financial hardship due to a government shutdown or catastrophic event, we offer credit card payment and loan deferments for those who qualify — providing support when it is most needed.

Looking ahead, USAA Bank will introduce more competitive and innovative products and enhancements in credit cards, deposits, personal loans and real estate offerings — all designed

to deliver greater value to members.

To start, USAA Bank plans to expand its physical banking footprint, opening more branch locations and ATMs on military bases.

On the credit card front, USAA Bank plans to improve its everyday rewards program to provide tangible financial benefits while supporting responsible credit building. This includes offering elevated earning rates on everyday spending categories and potentially new sign-up bonuses to combat inflation and maximize cash back.

To help our members solve challenges in depositing cash, USAA Bank also will increase access by expanding the ATM network and allowing members to make over-the-counter cash deposits at select retailers.

In deposits, enhancements will include more competitive savings rates and a new checking product to better support members during significant life moments and to offer more benefits to military members.

Cashback Rewards Plus American Express® Credit Card

NEW	
UPGRADED REWARDS ⁷	OLD REWARDS
5% cash back on your first \$3,000 in gas station purchases yearly	5% cash back on your first \$3,000 in combined gas station and military base purchases yearly
5% cash back on your first \$5,000 in military base purchases yearly, among the most competitive available for on-base spending	
3% cash back on your first \$3,000 in grocery purchases yearly	2% cash back on your first \$3,000 in grocery purchases yearly
1% unlimited cash back on other purchases	1% unlimited cash back on other purchases

For existing cardholders, your rewards were automatically enhanced as of Dec. 2, 2025, so there’s no action needed on your part. You will not receive a new card, but you can enjoy these new rewards with your current card.

9 DAYS

USAA is among the first on the ground when disaster strikes. Thanks to state-of-the-art technology, we assess damage and pay claims quickly. The average catastrophe claim payout time is approximately nine days, backed by hands-on support from a teammate who handles your claim from beginning to end.

FIRST NOTICE OF LOSS

We are modernizing the claims experience to make reporting a loss faster and easier. Smart technology will auto-populate key information, eliminating complex forms and repetitive questions. Launching in May for auto insurance claims, this streamlined process will free our adjusters to provide more personalized support to help you.

SUPPORTING OUR COMMUNITIES

In 2025, USAA employees logged nearly 290,000 volunteer hours and personally donated more than \$14.5 million, reinforced by USAA’s matching program.

THERE WHEN YOU NEED US MOST

Disaster often causes widespread damage, and USAA stands with our members and the community alike with support, relief and care. After the California wildfires erupted in January 2025, we moved quickly — providing initial payments to most impacted members within nine days to help them begin rebuilding. When floods devastated parts of Central Texas in July 2025, we supported affected members and employees while our dedicated Survivor Relations Team cared for those who lost loved ones. To help the communities damaged by the floods, USAA, our employees and members gave more than \$1.8 million for community recovery, which grew to more than \$3 million thanks to generous partners like Reach Resilience, BlackRock and Lockheed.

#5

USAA has been ranked fifth on Forbes 2026 Best Brands for Social Impact, a reflection of our commitment to supporting the communities in which we live and work.

Catastrophic flash floods devastated the Texas Hill Country on July 4, 2025, in what was the sixth-deadliest freshwater flooding disaster in the U.S. USAA was there for members and employees — providing care and philanthropic support.



UP TO 30% DISCOUNT

Safe driving pays through USAA SafePilot®, which lowers costs. Participating members receive an enrollment discount up to 15% and an up to 30% discount off your premium upon renewal for participating states.

NO MONTHLY FEES ON CHECKING AND SAVINGS

USAA Bank is one of the few banks to offer checking and savings products with no monthly service fees. Members can open the USAA Classic Checking or USAA Savings accounts with as little as \$25.

\$136 MILLION SAVED ON ATM FEES IN 2025

USAA Bank saved members nearly \$136 million in ATM fees in 2025 through surcharge rebates and through their use of our fee-free ATM network.



STOPPING FRAUD

USAA **blocked nearly 8 billion cyberthreats** in 2025.

PROTECT YOURSELF FROM FRAUD

The STOP method can help protect you and help you stay ahead of scammers.

» Stay cautious.

Always be on alert when someone asks for information or money.

» Take your time.

Scammers want to rush you. Slow down and think before you act.

» Only trust verified sources.

Double-check information through trusted channels.

» Protect your info.

Never share personal or financial details unless you're sure who you're dealing with.

Visit usaa.com/scams for tips.

Building Trust

USAA cemented trust with Katie and her family through experiences that have made a lasting impression.

When her dad, Bill Johnson, a Naval Academy graduate and pilot who served for 26 years, was deployed, her mom received calls from someone demanding money for an insurance policy.

Jan was on her own with young children and overwhelmed. She called USAA, and we immediately took care of the fraud. The calls stopped and the Johnsons did not lose a cent.

**“USAA is always there for us,”
Jan said. Bill added,
“USAA is our wingman.”**

Putting Members First

USAA is reducing friction to make exceptional service the norm in every interaction.

We know that sometimes it has not been easy to do business with USAA, so we are systematically fixing the experiences members find most frustrating.

After a car accident, for example, one adjuster now manages your claim as your single point of contact — streamlining the process and helping you get back on track faster.

When it comes to banking, we know that sending money is part of everyday life, whether you are paying rent, splitting expenses or using a small business you trust. Many members told us moving money should be easier, from sending money via Zelle^{®10} to transferring money to or from an external account. We listened and are adjusting limits and wait times to remove obstacles while keeping strong protections in place. For example,

starting in June, USAA Bank's Zelle[®] daily send limit will increase so you can send more in a single transfer — still quickly and securely — and get more done in one transaction.

To make getting a loan easier, USAA Bank plans to streamline the process to make it more efficient and convenient. And a new auto experience in the works will bring together car search, an affordability evaluator tool, lending and insurance to make it easier to buy and insure a new car. USAA Bank plans to do the same for homes — making it easier to find, buy and insure your home with us.

Enhancing Experiences Through Technology

USAA is using innovative technology and artificial intelligence to drive greater convenience, speed and savings for members. We're on a journey to reduce friction and provide better service and personalized engagement so you have a better overall experience.

Work includes significant advances to streamline the property casualty claims experience. For auto insurance, the Telematics Enabled Auto Claims (TEAC) system, bolstered by data from the USAA DriveSafe[™] app and its crash assistance features, dramatically expedites auto claims.

Property claims are handled more quickly thanks to a streamlined image submission process, expedited home inspections and the use of digital and AI technology to enable virtual processing. In many cases, USAA uses digital solutions like 3D technology to virtually assess damage so we can estimate repair costs and issue payment, often within one interaction.

Machine learning has helped expedite

the life insurance process, reducing the amount of time it takes to underwrite a policy. Our Fast Track AI system determines if we can waive the medical exam for term and adult whole life insurance applications. We are on track to waive 45% of exams, exceeding our 2026 goal of 40%. With automated decisioning also now in place, we can approve policies in minutes instead of in weeks.

Looking ahead, in 2026, USAA is planning to introduce a new, smarter phone-routing system that uses AI to understand natural, conversational speech to connect members with the right service option quickly and accurately, providing a smoother, more integrated service experience.

This ongoing commitment to innovation has resulted in USAA having more than 3,000 issued patents — with more than 240 of these granted in the AI space alone.

Bill Johnson, a pilot who served in the U.S. Navy for 26 years, and his wife, Jan, are part of a military family with three generations of service. Pictured here with their grandchildren, the Johnsons have relied on USAA throughout the years to care for them and their family.

“
USAA is always
there for us.
USAA is
our wingman.”

JAN AND BILL JOHNSON



Taking Care of Our Own

USAA was created by and for the military community. We understand the demands of military life, and we deliver products and guidance that help members stay prepared, protected and ready for what comes next.

Pictured from left to right: Daniel "Rags" Ragsdale (left), a U.S. Army veteran and West Point graduate; son, Roy Ragsdale, also a West Point graduate; wife, Cindy; daughter, Kelsey Rowe, a U.S. Naval Academy graduate; and son, Reed Ragsdale, a U.S. Air Force Academy graduate. The Ragsdale family's military legacy spans four generations and more than 100 years of service. Photo courtesy of the Ragsdale family and Greg Ecklin.





Army veteran Daniel "Rags" Ragsdale and his wife, Cindy, turned to USAA when a plumbing failure flooded their house during a 40th anniversary trip to Italy. A crew responded within three hours to stop the leak and repair the damage.

Serving Those Who Serve



Military families have leaned on USAA since 1922. We have your back, generation after generation.

As a West Point graduate, third-generation soldier and infantry officer who served in Iraq and Afghanistan, Daniel "Rags" Ragsdale knows how to manage the chaos of the battlefield.

His wife, Cindy, knows how to manage the chaos of life. When Rags, a retired colonel, and Cindy were on their 40th anniversary trip in Italy, they got a call that their house was flooding due to a plumbing failure. Rags went from celebrating with the love of his life to worrying about his biggest asset.

Cindy, a military spouse used to being the CEO, COO and CFO of their family, said, "All we have to do is call USAA."

One call and three hours later, a crew was on site to stop the leak and repair the damage. The Ragsdales continued their second honeymoon, knowing that the company that had cared for four generations of their family was making things right — quickly and with little hassle.

"Things will happen in life beyond your control that will put you at financial risk," Rags said.

"My mom and dad always leaned on USAA, and I have leaned on USAA for the same reasons. We value our membership because USAA has always been there for us."

DANIEL RAGSDALE

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**\$2
MILLION**
IN DISCOUNTS

Members benefited from more than \$2 million in premium discounts and avoided paying deductibles through Connected Home and other USAA-backed smart home device programs in 2025. The devices detected more than 40,000 water leaks and 100 electrical hazards last year — preventing or mitigating damage.

Detection and Prevention

USAA is there for members when the unexpected happens. Just as important, we provide products, coverage and advice to help avoid the unexpected.

USAA's [Connected Home program](#) detects water leaks and electrical hazards before they become major issues thanks to free smart home devices that help prevent or minimize damage while saving participating members up to 8% on homeowners insurance.¹¹ The Ragsdales weren't enrolled in Connected Home and did not have the detection device before the plumbing issue. But they are now.

Other early detection programs track electrical surges in homes that could lead to fires while the [Wildfire Response program](#) mitigates risk by clearing debris or applying fire retardant when there is a wildfire threat. These programs reduce risk and prevent costly damage, and USAA is enhancing options and access in 2026.

Designed for the Military

Service runs deep in the Ragsdale family, starting with Rags' grandfather, then his parents, who both served in World War II. His children graduated from service

academies — Army, Naval and Air Force — becoming the fourth generation to serve. The Ragsdales have more than 100 years of service, nine combat deployments and one shared belief that answering the call is the highest honor one can achieve.

USAA believes that serving those who serve is *our* highest honor. We have a range of products suited to military members, from the moment you become active duty to when you separate or retire.

For instance, we know that military life can mean constant moves and frequent deployments. USAA offers a range of advice and products to help with both.

When members are called to active duty, the Servicemembers Civil Relief Act (SCRA) offers protection so you can focus on the mission. [USAA's SCRA benefits](#) provide financial relief and legal protection to eligible actively serving members, going above and beyond what's required. For instance, USAA caps interest rates at 4% on qualifying accounts — below the standard 6% — so members pay less in interest. And we use data to determine eligibility and automatically apply the benefits.

To honor those who have worn the uniform, USAA is enhancing the value of membership with unique benefits for military members that enable them to

share in our success and have a say in our future. It is one of the many ways we take care of those who serve and sacrifice.

Addressing PCS Pain Points

Military families often relocate every two to four years in Permanent Change of Station (PCS) moves, usually incurring debt, according to Military One Source.

And they can go deeper in debt with every move — something we heard through our Honor Through Action™ advocacy efforts. To help, USAA is enhancing our products, advice and services to design new solutions to minimize the stress and financial burden of a PCS move. It also is a policy priority of USAA's [Honor Through Action](#) alliance. The goal is to advocate for policy changes to modernize the PCS experience and lessen the cost and burden of PCS moves for military families.

Members can use USAA's [personalized checklist and advice](#) to plan, budget and get the right coverage to protect your belongings before, during and after the move. When you are deployed abroad, USAA has advice and products to ensure you have the right coverage, including customized [overseas insurance](#) or extra property coverage in many European locations. We also offer advice and ways to save money on moving and storage.

To continue supporting members, USAA is evaluating solutions such as a savings account to help currently serving members build their emergency savings and is developing a new benefit to give them extra breathing room during PCS moves. We also are planning to offer flexible options to adjust or pause certain payments or receive a break from fees. And we are exploring an option to provide additional coverage for existing military property policyholders undergoing a PCS

move, which would provide protection for certain household goods transported by a government-contracted carrier with no deductible.

To make it easy, USAA plans to create a PCS Hub to serve as a one-stop resource and digital assistant for planning and making the move, with the advice and products you need at your fingertips. We expect to pilot this in 2026.

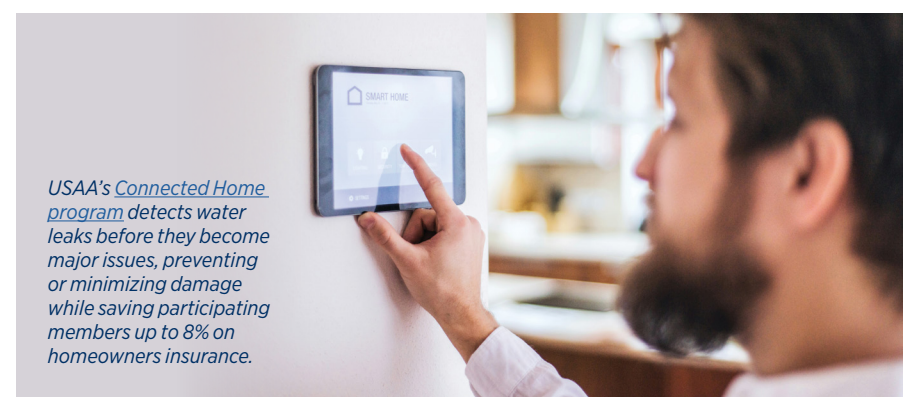
Planning for the Future

Only about half of U.S. adults have life insurance, according to the 2025 Insurance Barometer Study by LIMRA and Life Happens. To give our members greater protection, convenience and peace of mind, USAA offers several [life insurance options](#). Two of them — USAA Secure Whole Life and USAA Eagle Express Term Life — received enhancements in 2025 to deliver even more value to our membership.

Both products now include access to a complimentary estate plan through our relationship with Trust & Will¹² and the ability to increase coverage at key life milestones without requiring new medical exams.^{13,14}

We also offer [life insurance products with features that reflect the realities of military service](#). Military Protection Plus^{15,16} includes a severe injury benefit rider that pays members a lump sum when injured in the line of duty. It also includes the Military Future Insurability Rider, which allows members to replace your Servicemember's Group Life Insurance (SGLI) without a medical exam after separating from the military.¹⁷

Many of USAA's life insurance policies use accelerated processes and data, enabling you to apply online — potentially avoiding a medical exam — and get same-day approval.



USAA's [Connected Home program](#) detects water leaks before they become major issues, preventing or minimizing damage while saving participating members up to 8% on homeowners insurance.

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#2

Forbes named USAA Bank No. 2 on its 2026 Forbes World's Best Banks list, the fourth consecutive year that USAA Bank has ranked in the top 10.



BANKING MADE EASY

TIME, in partnership with Statista, recognizes USAA Bank as one of America's best financial services providers in several categories, including checking, savings, CDs, loans, mortgages and payment cards.



DRIVING VALUE

U.S. News & World Report ranks USAA among the leading insurers in the U.S. and at the top for home and auto insurance discount bundles. It also recognizes us as the leading option on price for homeowners and auto insurance.



Protection Backed by Great Advice

Trusted advice is central to how USAA serves members. We take the time to help you make informed decisions — ensuring you have the right products, coverage and know-how to plan for any life event.



The Value of Membership for Every Stage of Life

Military life brings frequent moves, deployments and family separations — challenges that create unique needs. USAA stands with those who serve — providing care, support and peace of mind every step of the way. We help you navigate the military experience and stay prepared for service milestones and life's major moments.



Join the Military

Starting when you join the military, USAA is there for you and your family.

USAA offers [membership](#) benefits, [advice and products](#), starting the moment you join the military, to show how USAA has your back from Day One.

By sponsoring key events and engaging with the military community, USAA representatives help those currently serving understand how USAA products and services are designed to fit your unique needs.



Deploy and PCS

Service comes with frequent deployments and PCS moves, and we can help you plan, budget and save.

USAA's [Military Pay](#) and [Deployment Pay Calculators](#) and [deployment checklist](#) and [PCS checklist](#) can help you plan ahead.

We offer [vehicle in storage savings](#)¹⁸ and [overseas insurance coverage](#) for PCS and deployments no matter where military life takes you.

Own a Car or Home

We have products to help you buy and protect your biggest assets.

USAA Bank offers [auto loans](#) and [home loans](#), streamlined [refinance options](#), and [VA loans](#) to help you buy wisely.

Programs like [USAA SafePilot®](#) and [USAA SafePilot Miles™](#) and [Connected Home](#) offer discounts and ways to stay safe.

Feel Safe and Secure

When you are navigating a difficult time, USAA is there.

Our streamlined claims process puts you back on track with a nine-day average catastrophe claim payout.

If you miss a paycheck because of a government shutdown, we have your back [with no-interest loans and payment relief](#).¹⁹

And when the unthinkable happens, we are there with [hands-on support to help you navigate the loss of a loved one](#).



Save, Invest and Finance

Our smart money management resources help you be financially secure.

USAA Bank's [checking](#) and [savings](#) accounts have no monthly service fees, saving you money from the start.

Our credit cards offer unique benefits, rewards and [lower-than-industry-average APRs](#).

To keep you on track, take advantage of free credit monitoring with FICO® Score 10T.

Have a Family

USAA offers [budgeting and saving tips](#) to help you manage parenthood.

Our [youth spending accounts](#) help you teach your kids how to spend and save wisely.

Our [life insurance](#) products offer extra protection for military families, from service to separation or retirement.

Separate From the Military

Leaving the military is a new chapter, and we are there with resources tailored for those who serve.

USAA's [military separation advice and checklist](#) helps you plan ahead.

To help you find a job, USAA has [military-focused hiring and skills match](#) resources and a [job finding service for veterans and military spouses](#).



Maintain Your Health

To ensure you and your family's health needs are covered, USAA offers a [variety of health plans](#) to serve individual and family needs.

Retire

When you are ready for your golden years, USAA is ready for you.

We have [retirement advice, products and services tailored to the military](#).

We help you think ahead, offering a [35% discount on estate planning](#)²⁰ through Trust & Will.

And our [Medicare coverage](#), including [Medicare Supplement plans](#) and [Humana USAA Honor Giveback Plan](#), can ensure you have the right health coverage in retirement.



Passing Along Knowledge

USAA provides education that is passed down through generations.

Doug Fremont served 27 years as an officer in the U.S. Navy’s submarine force, spending months in the ocean depths with no family communication outside of a handful of 40-word familygrams.

Despite the isolation, Doug knew that if something happened, his wife, Becky, and their children were in good hands as USAA members.

“USAA took care of our family even when I couldn’t,” he said.

When Doug had to leave for six months, Becky handled their move and set up the new house on her own, relying on USAA for homeowners insurance. Having previously survived a tornado on her own with young children, Becky knew that USAA would provide the reliable coverage and timely support she needed if disaster ever struck again.

The Fremonts, whose fathers both served in the military, have turned to USAA’s products and services for nearly every facet of their life, from insurance to banking needs.

What Becky values most is the advice that USAA has provided through the years, which she now imparts to her adult children.

“USAA taught me aspects of buying

a home, saving money by doing things like changing my deductible and getting umbrella insurance when I had teen drivers,” Becky said. “They have helped educate me on the realities of life, and I have felt prepared for each step.”

To Doug, that is peace of mind that you can’t put a price on.

“When we find a good product or service, we hold on to it even if we can shop around. USAA is passing along knowledge.”

DOUG FREMONT

ADVICE ON WAYS TO SAVE

Through proactive outreach efforts, USAA had 24 million interactions with our members in 2025 to help them manage their insurance costs and save money.

FIGHTING FRAUD

To keep members safe, USAA regularly sends emails with proactive fraud and scam education and has strengthened passcode messaging to be clearer that USAA will not call to request the code, a common scam tactic.



Doug Fremont served in the U.S. Navy for 27 years. As longtime members, he and his wife, Becky, have relied on USAA for products, service and advice to get the coverage and support they need.

Empowering the Next Generation

As a parent, Diali Coll-Mercado wanted to give her children what she didn’t have growing up — financial security.

After a tough upbringing, Coll-Mercado served for 20 years, half in the U.S. Army Reserve and half in the Army National Guard, continuing a military tradition that started with her dad, who raised her on his own.

Military service and a few role models got her on the right path. When she became pregnant with her first child, she turned to USAA to plan ahead — just as she has done for every life milestone, whether it was buying a house or investing for the future.

“It’s almost like you’re talking to your family when you call USAA.”

DIALI COLL-MERCADO

Her daughter turned 16 in 2025 and has her eyes on college, then medical school. Coll-Mercado is ready to pay for her education, thanks to the advice USAA gave her to start saving as soon as her daughter was born, and the options to do it.

Starting Early

Coll-Mercado has given her daughter a head start, and her experience reflects a shifting landscape. USAA’s research on Gen Alpha, those born in 2010 or later, shows how they save, and how much they save has a lot to do with their parents and digital commerce.

With children having access to spending — and even earning — money via mobile devices at a younger age, Gen Alpha stands to shape economic trends and their own financial well-being earlier than any previous generation.

By providing youth accounts with parental controls, USAA Bank is empowering families to instill good financial management early.

30%

Higher average savings balances held by children of Gen X parents compared with their Millennial-parented peers.

A HEADSTART ON SAVINGS

USAA Bank offers advice and [youth checking and savings accounts](#) to help kids learn to save and spend wisely.

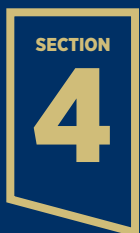
BUDGETING HELP

USAA has resources to help families stay on top of rising prices.

- [Financial Readiness Assessment](#)
- [Money Management Tools](#)
- [Planners and Calculators](#)



Diali Coll-Mercado served for 20 years, half in the U.S. Army Reserve and half in the Army National Guard. A longtime member, Coll-Mercado, pictured with her family, has relied on USAA for advice to plan for the future, including saving for her daughters’ education.



Advocating for the Military Community

USAA military families are mission-driven and resilient. We also know they face financial, physical and mental pressures stemming from military life. In 2025, USAA launched Honor Through Action™ to improve the quality of life for military families.

Honor Through Action Policy Priorities

A key differentiator for USAA's Honor Through Action alliance is the focus on policy reform. By joining forces with public and private partners, USAA is supporting military family resiliency and driving policy and industry change in these key areas:



Modernize the PCS experience to help lessen the cost and burden of moves for military families.



Transform transition support so service members more easily transition to civilian life.



Enhance military spouse employment and career support to create more opportunities for dual-income military families.



Support high-impact, quality-of-life needs for military families.

Honor Through Action

Through a combination of targeted and innovative philanthropy, policy change and corporate alliances, Honor Through Action™ will create meaningful and deep-rooted change.

A key differentiator for [Honor Through Action](#) is the focus on policy reform and industry partnership. USAA created a Policy and Alliances team to join forces with our Corporate Impact and Government Relations functions to mobilize alliances and address legislative and regulatory issues that affect the military community.

USAA also has created business roundtables for each of the pillars — careers, financial security and well-being — to share insights and collaborate on actions that lead to strong outcomes.

The goal is to drive reforms that make it easier for veterans, reservists and military spouses to build meaningful careers, have economic mobility and get physical and mental health support to thrive.

And the team behind Honor Through Action knows best what it takes because many of them are veterans or military spouses from all branches and ranks. They include people like Jim Honea, who served as the 16th Master Chief Petty Officer of the U.S. Navy, and is now part of USAA's

Policy and Alliances team. The team also includes the former Senior Executive and Commander of Navy Installation Command; the former Acting Deputy Under Secretary, Office of Policy and Oversight at the Department of Veterans Affairs; and a retired Army Brigadier General.

Like his teammates, Honea wakes up every day thinking about how he can transform the lives of the military community. Then he works to make it happen.

“As a military kid and an enlisted sailor who served for nearly 40 years, I know what military life is like. In many ways, the entire family carries both the honor and pressures of serving. Through Honor Through Action, USAA and our alliance partners are raising awareness and easing those pressures for military families.”

JIM HONEA

50%

OF VETERANS

feel they do not belong in society after separation from military service

(Syracuse University Maxwell School of Citizenship & Public Affairs)

23%

OF MILITARY SPOUSES

are unemployed

(Blue Star Families 2025 Military Family Lifestyle Survey)

Pictured at U.S. Navy Memorial, Jim Honea served for nearly 40 years in the U.S. Navy and was the 16th Master Chief Petty Officer of the U.S. Navy. Now on the USAA's Policy and Alliances team, he is part of USAA's Honor Through Action efforts to drive systemic change to support the military community. Photo courtesy of U.S. Navy.



8,500

USAA has nearly 8,500 military-affiliated employees among our 38,000-strong workforce. Thanks to accelerated hiring in 2025, we hired roughly 2.5% more veterans and military spouse employees than the previous year and are equally focused on retention initiatives.

MILITARY-FOCUSED LEADERSHIP

USAA's Board of Directors are all proud eligible members of the Association. The majority have served our country while others have a military connection through a family member's service.



Stacianna Dunlap is a fellow in USAA's Beyond the Call initiative, a military career transition program helping service members, veterans and military spouses build careers and stay at USAA.

Championing Meaningful Careers

USAA walks the walk when it comes to hiring and retaining veterans and military spouses.

The road to civilian life from military life can be bumpy, especially on the job front. Having a meaningful career post-military can make all the difference in navigating the bumps.

Yet fewer than one in five transitioning service members feel fully prepared to secure civilian employment, and once employed, the average tenure is less than a year, according to the military's Transition Assistance Program.

Stacianna Dunlap is thinking ahead, just as she did when moving from active duty to the reserves in the U.S. Air Force.

After she retires from the military, she wants to land at a company that values her military experience and supports her career success.

As a fellow in USAA's Signal Fellowship program, Dunlap is using her military expertise in a data analytics role that could be the bridge to a career at USAA.

"A lot of companies talk, but USAA walks the walk," Dunlap said.

The Signal Fellowship is part of USAA's Beyond the Call initiative, a military career transition program helping service members, veterans and military spouses [build careers and stay](#) at USAA. The program includes fellowships, on-the-job training, upskilling, mentoring and peer networks to set up military-affiliated employees for long-term success.

To that end, USAA is focused on driving policy change and strengthening support systems for career transitions, from working with the Society of Human Resource Management's (SHRM) Foundation on employer military competency to expanding childcare access with the Armed Services YMCA. We also are working with public and private sector partners to enhance military spouses' retirement security. And through grants to nonprofits like FourBlock and Hiring Our Heroes, we are providing coaching, career preparation and guidance to help the military community build long-term careers.

"This program is proof USAA is serious about helping the military community."

STACIANNA DUNLAP

Only

36%

**of junior enlisted families
feel financially stable**

due to financial strain tied to
pay, relocation costs and spouse
unemployment.

(Blue Star Families, 2024)

**\$2,400-
\$4,000**

**E1 to E6 with up to four years
of service** earn \$2,400 to
\$4,000 a month in basic pay.

(DFAS, 2026)





Empowering Financial Security

USAA provides education and resources to help military families plan, prepare and respond to the unique challenges of military life.

Financial Relief and Education

With Honor Through Action, USAA is launching several initiatives to help military families. They include the Joint Financial Relief and Education initiative, which provides targeted financial assistance for currently serving military in high-cost communities. The Veterans Secure Start Fund helps veterans manage the “deadly gap,” when military pay ends before new employment pay begins. Both provide assistance through nonprofit partners. The programs also offer financial education from The [USAA Educational Foundation](#)®, empowering military families with resources to build long-term security.

USAA’s collaboration with Support The Enlisted Project (STEP) is helping junior enlisted military families get on firm financial footing.

STEP’s certified financial counselors — many of whom are veterans or military spouses themselves — provide personalized support to resolve immediate emergencies and build lasting financial behaviors. Through USAA’s support, STEP is expanding its counseling program nationally to bring one-on-one financial counseling, education and emergency assistance to families facing eviction, food insecurity and other crises.

By helping STEP expand into high-cost markets and extend virtual services nationwide, USAA is strengthening financial resiliency for thousands of junior enlisted families.

Economic Investments

Through Military and Veteran Supplier Base efforts, USAA is expanding partnerships with military- and veteran-owned businesses through our procurement and supplier sourcing efforts.

By intentionally working with these businesses, USAA helps create jobs, strengthen local communities and drive economic growth while being a role model for other companies.

We also are supporting financial security at scale through the Low-Income Housing Tax Credit (LIHTC) program, a federal tax incentive program for affordable housing. Since 2011, USAA has invested more than \$2.3 billion in LIHTC projects while also creating more than 170,000 housing units.

Our LIHTC investments include the National Center for Warrior Independence, which supports at-risk veterans and their families in Los Angeles with housing, wellness and more. USAA has been a leading provider of financing. More USAA investments in military- and veteran-focused housing could come in Arizona, Oklahoma and Texas.

USAA also has invested \$50 million in the CapZone United Submarine Alliance (USA) Qualified Opportunity Fund. The fund purchased the Alabama Shipyard, a maintenance yard for U.S. Navy vessels in Mobile, that is expected to create 3,000 jobs.

THE **USAA** 
EDUCATIONAL
FOUNDATION®

FINANCIAL EDUCATION MADE EASY

The USAA Educational Foundation® provides free advice, resources and tools to support the military community’s financial well-being. This includes launching college courses in 2025 so participating individuals earn college credit.

FINANCIAL LITERACY STARTS EARLY

Through Junior Achievement, USAA employees provided financial education to elementary school students — helping them start early on learning basic budgeting.

STEPPING UP FOR MILITARY FAMILIES

90% of military families helped by STEP, a USAA-supported program, improve their financial well-being after completing counseling.

Supporting Overall Well-being

Military families face pressures from frequent moves, isolation and caregiving. USAA is strengthening support systems to help them manage the stress, building on learnings and action steps from Face the Fight®.



USAA's commitment to well-being began with Face the Fight®, when we joined forces with Reach Resilience and the Humana Foundation to help prevent veteran suicide and break the stigma around asking for help.

Through Face the Fight grant investments, we've expanded access to suicide prevention-specific treatment through organizations such as Centerstone, a nonprofit health system specializing in mental health and substance abuse treatments. We've reached tens of thousands of service members and equipped them with skills to have difficult conversations about safe firearms storage during moments of crisis, working with the veteran suicide prevention nonprofit Overwatch Project.

Through our work and research, we have learned that when support starts early and encompasses the mind, body and soul, it keeps stress in check.

That insight drives Honor Through Action™, USAA's effort to strengthen well-being for the entire military community. Our aim is simple: Help families feel connected, supported and resilient long before a crisis occurs.

We are strengthening holistic well-being through partners such as Team Red, White & Blue and Wounded Warrior Project — deepening connection, improving coordinated care and

supporting engagement in community and service.

A key part of this work is the Community Support Network pilot, a model that unites local, state, national, philanthropic and corporate partners. This model supports military families throughout service, during transition and long after for long-term success.

As the title sponsor of HYROX Dallas 2025, a fitness competition, USAA showcased the power of movement, community and shared purpose for physical and mental resiliency.

We also are leading by example. We provide well-being-focused benefits and programs that support our employees — who are members themselves. These include on-site health clinics and fitness centers, free counseling sessions and personalized wellness support. Together, these resources support our employees' overall well-being.

~60-70%

OF SERVICE MEMBERS WITH MENTAL HEALTH NEEDS DO NOT SEEK CARE, with stigma, career concerns and cultural norms being major barriers.

(Military's Psychological Health Center of Excellence)

\$1 MILLION

USAA provided a \$1 million grant to the Tragedy Assistance Program for Survivors (TAPS). The TAPS caseworkers turned that into more than \$7 million in retroactive benefits secured for military survivors.

Since its launch in 2023, Face the Fight-funded, evidence-informed programs have reached **more than 1 million** veterans, service members and family members with suicide prevention strategies and training.

\$41 MILLION
invested into 83 evidence-informed suicide prevention programs.

770,000
veterans screened for suicide risk.

75,000
clinicians and peers trained in evidence-informed interventions.

SUPPORTING MENTAL WELL-BEING

USAA was named a 5-star leader on Newsweek's America's Greatest Workplaces for Mental Well-Being. The list recognizes U.S. employers for embedding flexibility and mental health support into everyday work.



SECTION

5

Unwavering Commitment

We recognize that rising costs and tighter budgets are affecting many families. Across the industry, insurance costs have climbed due to factors no single company controls, including more frequent and more severe weather events, higher repair expenses and excessive litigation, that drive up claim costs. USAA remains committed to responsibly managing our own costs while raising awareness about how inflated settlements impact insurance rates.



Standing Strong for Members

USAA is combating excessive litigation and inflated settlements that drive up claim costs and ultimately impact what families pay.



A minor fender bender turned into a \$1.5 million personal injury lawsuit against one of our members and USAA. The lawsuit claimed the other driver involved needed shoulder surgery and six months of medical care. USAA fought the case on behalf of our member and won. A jury ruled that the USAA member did not cause the accident, and she and USAA owed nothing. Photo courtesy of USAA member.

When a 20-year-old member was in a minor fender bender, she thought it would be a simple claim and repair, paid by the other driver’s insurance company.

After all, it wasn’t her fault. Another driver made an illegal U-turn and hit her car, causing minor damage. She took photos, including one showing the other driver fixing his bumper on the spot with no apparent injuries.

But months later, Jonathan Auth, a USAA staff counsel attorney, was defending the member and USAA against a \$1.5 million personal injury lawsuit. The lawsuit claimed the other driver would need shoulder surgery and six months of medical care.

USAA was there for our member — to protect her from legal system abuse. Auth prepared her well to stand up to tough cross-examination. And the plaintiff’s law firm’s handpicked doctor admitted during his testimony that he was paid millions to testify in lawsuits like this.

After 15 minutes of deliberation, the jury found that the USAA member did not cause the accident, and she and USAA owed nothing.

It was a win for more than just the member. If USAA paid the \$1.5 million sought in the lawsuit, it would be a

“Getting sued can be as stressful as experiencing a catastrophic event. It is an honor to defend our members and be there for them. It is important that we stand up against frivolous lawsuits to protect our members.”

JONATHAN AUTH, USAA STAFF COUNSEL ATTORNEY

cost for the association, which ultimately affects our ability to price competitively for all members.

This is at the heart of what USAA is trying to combat. Excessive litigation and inflated settlements ultimately show up in what families pay.

Raising Awareness

USAA is working with policy leaders to pursue reforms at the state and federal levels that protect access to coverage and address the impact of legal system abuse.

“While companies like USAA are committed to keeping costs in check for customers, legal system abuse has led to excessive litigation, which drives up insurance costs and ultimately translates into higher premiums,” said Robert Gordon, senior vice president of policy, research and international at the American Property Casualty Insurance Association (APCIA).

“By curbing abusive litigation practices as an industry, we can meaningfully reduce these costs and help make insurance more affordable for families and businesses.”

ROBERT GORDON

Staying Put

Pressure from more frequent severe weather events, higher repair costs and legal system abuse are reshaping insurance markets across the country. In some markets, insurers have reduced coverage or left markets altogether.

USAA remains in every state and sticks with members for the long haul

because we are committed to serving military families.

Stabilizing Rates

USAA takes a long-term approach to rate changes, working to stabilize and reduce rates as conditions allow and market pressures ease. If rate increases are necessary due to inflation or other cost pressures, we take a measured approach and have had lower rate increases than the industry average.

While we cannot control every external factor, USAA focuses on what we *can*: negotiating fair repair prices, strengthening supplier relationships and investing in prevention to reduce losses before they happen.

USAA earns enough to operate responsibly and invest in better products, service and competitive pricing. And when we perform well, members benefit — with \$3.8 billion returned in 2025, the highest in our history.

This disciplined, long-term approach helps us manage costs responsibly so you can count on protection and support for the long haul.

7%

Florida members will see a 7% average auto rate decrease in 2026, resulting in more than \$125 million in estimated annual savings, thanks to Florida’s legislative reforms to curb legal system abuse as well as safer driving trends.

EXCESSIVE LITIGATION

Tort costs, which include legal settlements and litigation expenses, reached \$529 billion nationally in 2022 and rose nearly twice as fast as inflation over a seven-year period.

(U.S. Chamber of Commerce Institute for Legal Reform)

HOUSEHOLDS BEARING A GROWING BURDEN

Industry research from 2025 estimated that excessive claims litigation amounted to nearly \$2,000 per person and more than \$5,500 per household each year.

(The Perryman Group)

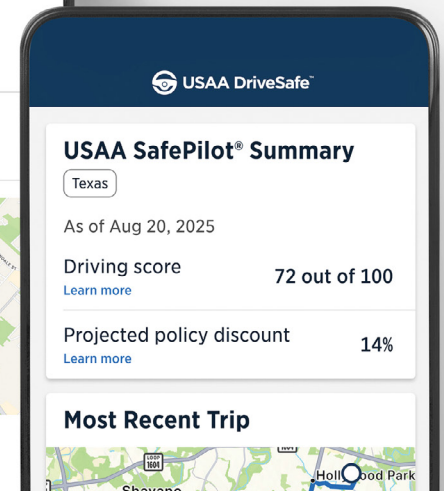
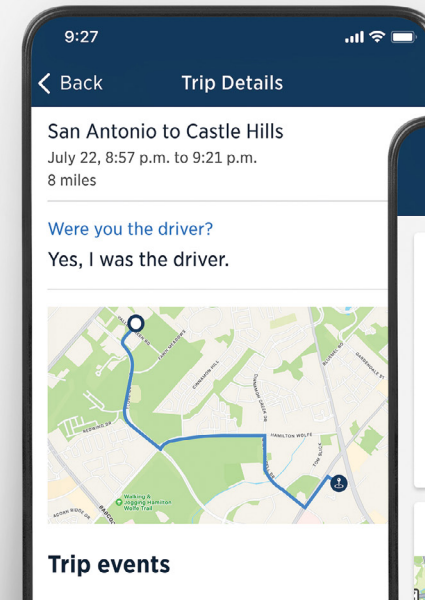
Impact of Excessive Litigation on Everyday Costs

All Items	1.32%
Prescriptions	9.02%
Home Insurance	4.56%
Health Insurance	2.71%
Auto Insurance	2.50%
Soap/Detergent	2.15%
Tobacco products	1.63%
Televisions	0.71%
Cheese	0.61%
Smartphones	0.59%
Milk	0.39%
Restaurant meals	0.36%
Groceries	0.32%
Beer	0.32%
Washing machines	0.32%
Baby formula	0.26%
Eggs	0.22%

Based on estimated inflation of 2024 nationwide costs due to excess tort costs. Source: The Perryman Group on behalf of APCIA.

SECTION
6

Our Year in Review



2025 Financials



In 2025, USAA refined our focus on providing even more value to members and, as a testament to that commitment, returned a record \$3.8 billion in financial rewards to our members. Results like this are made possible through continued financial strength and discipline. Our focus on efficient operations, strategic portfolio decisions and renewed emphasis on the things that matter most to our membership contributed to healthy earnings, strong revenue growth and positive results across our Property & Casualty, Banking and Life Insurance businesses. As a result of robust earnings and a strong balance sheet, USAA increased its capital base, while delivering the financial rewards, reinforcing the value of membership and strengthening member loyalty.

The financial highlights shown here are from the audited consolidated financial statements to give a clear understanding of key measures of the association’s 2025 financial performance.

Juan C. Andrade
President and
Chief Executive Officer

Brett Seybold
Chief Financial Officer

CONSOLIDATED FINANCIALS (DOLLARS IN MILLIONS)

Years ended Dec. 31	2025	2024*	2023
Total assets	235,784	220,538	211,638
Total liabilities	197,157	188,246	182,490
Net worth	38,627	32,292	29,148
Total liabilities and net worth	235,784	220,538	211,638
Total P&C dividends and distributions	2,927	1,419	1,047
Total returned to members (Dividends, distributions, and bank rebates and rewards)	3,768	2,203	1,845

*USAA adopted ASU 2018-12 (LDTI) effective Jan. 1, 2025, using the modified retrospective method. Certain 2024 balances were recast under the new guidance; 2023 remains under prior guidance.

Maintaining USAA’s financial strength enables us to be there for members every day and in the moments that matter. We maintained a strong balance sheet in 2025 to keep the association healthy for our members.

\$38.6 BILLION

IN CAPITAL

Our capital grew 20% in 2025. This means USAA is financially strong and well prepared to handle tough times while still investing in products and services that benefit members.

\$236 BILLION

ASSETS

We grew 7% over the prior year. This growth came from more members joining USAA, well-run operations, strong investment performance and fewer major catastrophe losses.

In 2025, USAA’s financial strength enabled us to deliver even more value. When we do well, members benefit.

» INVESTING IN MEMBERS

For every dollar of property and casualty insurance premium we earn, we aim to spend 93-97 cents paying claims and serving members. The rest is returned to members or invested in better products, service and competitive pricing. This ensures members get strong value for their dollar.

\$3.8 BILLION

IN FINANCIAL REWARDS

In 2025, USAA returned \$3.8 billion to our members through distributions, dividends and bank rebates and rewards. When USAA does well, our members benefit — and this money goes straight back into your pockets.

We work to earn your trust every day by running a well-managed association and delivering products, advice and services to fit your unique needs.

96%

OF MEMBERS STAY WITH USAA,

and we grew to 14.3 million members in 2025. When members have more than one product with USAA, retention jumps to 99%.

77%

OF MEMBER HOUSEHOLDS HAVE MORE THAN ONE PRODUCT WITH USAA,

a number we’d like to grow so members can take advantage of bundling discounts and have one-stop-shop convenience for your insurance and banking needs.

Disclosures



Investment and Insurance Products are:

- **Not Insured by the FDIC or Any Federal Government Agency**
- **Not a Deposit or Other Obligation of, or Guaranteed by, the Bank**
- **Subject to Investment Risks, Including Possible Loss of the Principal Amount Invested**

1. Savings are off total premium. Not available in all states or in all situations. To qualify for a discount on the property policy, a USAA Auto Insurance policy must be active within 60 days of issuing the property policy. Discounts will apply at renewal for existing property product(s). Discount subject to change. Restrictions apply.

2. Multiple product savings do not apply in all states or to all situations. Savings subject to change. Restrictions apply.

3. Savings figures are based on information collected by Alliance Services Company, LLC and are based on purchases of discounted goods and services during the calendar years of 2020-2024. Due to the nature of individual member program usage, actual savings might differ from the estimated figures.

4. The USAA SafePilot® and USAA SafePilot Miles™ programs are optional programs available with USAA Auto Insurance. Member must have an active USAA Auto Insurance policy and enroll in USAA SafePilot or USAA SafePilot Miles to receive discounts and/or mileage based rates. These programs are only available in select states. Program availability and state restrictions apply. Smartphone, data plan and download of the USAA DriveSafe™ App required.

USAA SafePilot and USAA SafePilot Miles: Earned driving discount is offered at renewal and is based on driving behavior of all the rated drivers on the policy. Discount will vary by program selected and may vary by state. Discounts are subject to change over the life of the policy.

USAA SafePilot program: Participation discount expires at first renewal in which the earned driving discount is applied, not to exceed 365 days.

USAA SafePilot Miles program: This program is best

for those comfortable with a monthly bill that varies and if you drive less than 8,000 miles per year.

Review the Program [Terms and Conditions](#) for more information.

5. Based on average premium savings earned by members enrolled in a USAA SafePilot driving program over a (six months/year) period using data from April 2025 - March 2026. Individual savings may vary and isn't guaranteed.

6. When you use a non-USAA Bank ATM outside of our preferred network, you may incur surcharge, usage, or other fees charged by the ATM operator or network. We refund up to \$10 per monthly statement cycle in non-USAA Bank ATM surcharge or usage fees for transactions made at non-USAA Bank ATMs. 1% Foreign Transactions Fee may apply. See the Account and Service Fee Schedule for details.

7. You will earn rewards based on your Qualifying Purchases. Qualifying Purchases are the Purchases of products or services that post to your Account, minus any returns, refunds, or other adjustments made with your Account by you or an Authorized User of your Account. Certain restrictions apply, including limitations if your Account becomes delinquent or closed. Transactions that are not Qualifying Purchases do not earn rewards. See the Reward Program Terms and Conditions for more information.

8. In order for coverage to apply, you must use the same USAA Bank Credit Card Account to make 8 or more separate net purchases (purchases minus credits and returns) in the calendar month immediately preceding the loss. This benefit is not offered to individuals residing in, or for auto insurance policies issued within, Washington State, in accordance with applicable state laws. Please refer to the [Credit Card Benefits Guide](#) for further details and full terms and conditions.

9. Certain terms, conditions and exclusions apply. Please refer to the [Credit Card Benefits Guide](#) for further details.

10. Zelle® and the Zelle® related marks are wholly owned by Early Warning Services, LLC and are used herein under license.

11. The United Services Automobile Association (USAA) Connected Home program is optional. Must have an active USAA Homeowners Insurance Policy and agree to share data from connected home devices to receive discount. Smartphone, eligible connected home devices, and download of the applicable vendor's app also required. Savings may vary. This program is only available in select states. Program availability and state restrictions apply. In most states, we don't apply the Connected Home discount and the Protective Device Credit at the same time. If you're eligible for both, we'll apply the Connected Home discount since it's the larger of the two.

12. With the purchase of a USAA Eagle Express term life insurance policy, USAA Secure™ Whole Life, or USAA Secure™ Final Expense, the primary policy holder will be eligible to create either a will or trust online with Trust & Will by exercising the Eagle Plus Rider on their policy, form number ICC23505229 01-23 (may vary state by state). Onetime document printing and shipping included. Not available in Florida.

13. The Life Event Option (LEO) rider is available at no additional cost with USAA Secure Whole Life, form number ICC25517453 03-25 (may vary by state) and USAA Secure Start Whole Life, form number ICC25518183 04-25 (may vary by state). It allows you to request additional whole life insurance up to six times after specified events. Additional insurance limited to the amount of base policy coverage, with total coverage after increases limited to \$1 million. Increases provided by additional whole life policies and require payment of additional premiums. Rider expires at age 45. The rider is subject to issue age limitations and other terms, limitations, and conditions. Rider form: ICC22502635 06-22 (may vary by state) not available in New York.

14. The Term Life Event Option Rider is available at no additional cost with an Eagle Express life insurance policy. It gives you a one-time option to purchase additional term life insurance upon the occurrence of a Life Event. Additional insurance limited to the lesser of \$100,000 or the face amount of the base policy. Additional insurance requires payment of additional premium and must be added within 10 years of original policy issue date or before the primary insured turns age 45. The rider is subject to issue age limitations and other terms, limitations, and conditions. Availability and benefits may vary by state. Form: ICC22502565-0622 (may vary by state).

15. Military Protection Plus is an additional benefit available on USAA Secure™ Whole Life, form number ICC25517453 03-25 (may vary state by state) not available in NY. This is a combination of the Military Future Insurability Rider which provides an option to obtain additional life insurance coverage upon separation from the military, subject to rider terms and conditions and characterization of military separation. If the additional coverage is term insurance, the maximum level period must be selected based off the insured's attained age as outlined in the rider. Rider form: ICC25517457 03-25 (may vary by state) not available in New York and USAA's Military Severe Injury Benefit Rider which provides \$25,000 to help with the expenses in the event of certain injuries while performing eligible military duties. Rider Form LBR67140ST 05-07 (may vary by state) not available in New York.

16. Military Protection Plus is level term life insurance with Military Severe Injury Benefit Rider and Military Future Insurability Rider. Eagle Express Life Insurance: coverage and premiums remain

level for the duration of the policy. Term Policy Form (ICC24516783 11-24) (may vary by state). Not available in New York. Military Severe Injury Benefit Rider provides \$25,000 to help with the expenses in the event of certain injuries while performing eligible military duties. Rider Form LBR67140ST 05-07 (may vary by state). Military Future Insurability Rider provides an option to obtain additional life insurance coverage upon separation from the military, subject to rider terms and conditions and characterization of military separation. New policy's level term period is dependent on the length of base policy's remaining level term period.

17. Increases in coverage more than two times the base policy face amount up to the current maximum Servicemembers' Group Life Insurance (SGLI) amount depends on your health and is subject to underwriting approval.

18. Storage Discount is not available in North Carolina and Virginia. To qualify for the discount, the vehicle must not be driven and must be stored in a secure location. Other restrictions may apply.

19. Restrictions apply and are subject to change without notice.

20. The discount applies only to estate plan creation services. There are no discounts available on optional annual subscriptions. Discount offered to members in all 50 states and the District of Columbia without exclusions.

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Home loans subject to credit and property approval.

All credit cards subject to approval.

VA loans may include a funding fee, which may be financed up to the maximum allowed loan amount.

Members must meet all VA eligibility requirements when applying for a VA loan. Speak with a USAA Bank Loan Officer to review current VA eligibility requirements.

A home loan refinance may be useful for many customers who want to lower their monthly debt payments. However, a refinance is secured by your home, has closing costs and may ultimately require paying more in interest over time.

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