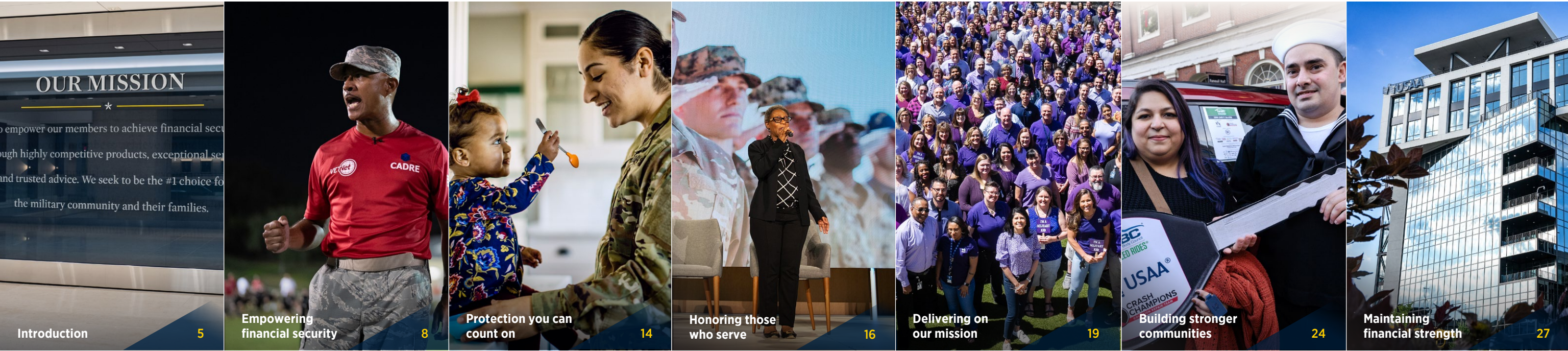




# ANNUAL REPORT TO MEMBERS

## 2023

# WHAT'S INSIDE



**Cover photo:** Carol Haskins, (center), who served in the U.S. Army Reserve for 23 years, became USAA’s first enlisted member in 1996, leading to membership for millions more, including two more generations of her own family: her son, Chris McGibbon (right), his wife, Adrienne (left), and their daughters, Morgan (left), and Avery (right).

## A message from our Chairman



**As I reflect on 2023, I'm proud of how USAA has shown up for members.** Despite the year's many challenges that existed for members, the association and the world, the 37,000 teammates at USAA stayed true to the mission to empower your financial security. They found new ways to serve you, evolved USAA's products

to meet your unique needs and enhanced the advice they share with you.

It is the responsibility of the Chairman, and the entire Board of Directors, to keep an eye on the horizon, guide the management team and ensure the association is well-managed — both in the current year and for the years to come. Similar to 2022, last year tested USAA's strength and resilience. Yet, because of the association's focus on being there now

and for the long term and, most importantly, the loyalty of 13.5 million members, USAA was able to withstand persistent pressure — enhancing financial strength and continuing to serve while others pulled back.

A lot has changed in the decade since I joined the USAA Board of Directors, both within the walls of USAA and beyond, but the association's dedication to the military community and their families has never wavered. With 34 years in the Navy, I understand military life and am committed to guiding USAA in serving those who serve. As we look ahead, we will continue to deliver on USAA's mission, keeping members and their unique needs first in all we do.

Thank you for your service to this country, for being a loyal USAA member and for your commitment to the association.

A stylized, handwritten signature in blue ink, appearing to read 'J. Zortman'.

**JAMES M. ZORTMAN**

Vice Admiral, USN (Ret.)

Chairman, USAA Board of Directors

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**BECAUSE OF THE ASSOCIATION'S FOCUS ON BEING THERE NOW AND FOR THE LONG TERM AND, MOST IMPORTANTLY, THE LOYALTY OF 13.5 MILLION MEMBERS, USAA WAS ABLE TO WITHSTAND PERSISTENT PRESSURE — ENHANCING FINANCIAL STRENGTH AND CONTINUING TO SERVE.**



## A message from our CEO



**Today there are about 2 million currently serving members of the military, protecting our nation's position of strength and the freedoms we enjoy.**

They're standing on the shoulders of the veterans who have served this great country in years past. At USAA, we have the honor of serving 13.5 million of these heroes and their

families and, on behalf of our 37,000 teammates, I thank you for your service to this nation. It is truly our honor to serve you.

The events of 2023 reinforced the importance of our mission as an association dedicated to serving the military community and their families. Macroeconomic trends from 2022 continued, with inflation and interest rates continuing to rise. And our country still faces the threat of government shutdowns. We know these factors put a strain on household budgets, and continued to drive up the cost to fix and replace cars and homes. We also experienced an above average number of severe weather events. These factors impacted the association's financial performance.

Given the ongoing inflationary pressures, we made the difficult decision to raise rates in both auto and homeowners' insurance, even after we reduced our operating expenses to help offset the need for additional rate increases. These increases were necessary to ensure the association remains financially strong. Our capital and liquidity remain strong and we restored profitability in 2023. I am proud to report we returned almost \$1.9 billion to members through distributions, dividends, and bank rebates and rewards.

As always, we focus on serving you well every day. In 2023, we took steps to improve the claims service quality through system upgrades, additional hiring and enhanced training for our adjusters. More of you are using our self-service capabilities, and we are continually improving our mobile app and USAA.com features. You can do your part to keep your account information secure by using our additional security features to prevent fraud. Learn more on [page 20](#) of the report.

We enhanced products and services, such as increasing the amount you can borrow for a mortgage through the VA jumbo loan with no down payment, expanding credit card offerings and giving you access to one of the largest surcharge-free ATM networks in the country. We launched a new fixed indexed annuity to offer more growth potential for retirement planning. At the same time, we reduced overdraft fees, and members who bundle auto and home or renters insurance also enjoy additional savings. The USAA Perks® program also is continually finding ways to expand discounts on everything from flowers to travel.

You are the real strength of our association. It is your collective trust, loyalty and commitment that has enabled USAA to serve for more than a century. It began in 1922 when 25 officers made a promise to insure one another's cars. Today, we've expanded our ability to take care of one another in this way through programs like Connected Home and SafePilot®, both of which help keep members safe and effectively prevent claims. Our association is one in which every member is committed to something greater than themselves. It's what makes USAA unique, and it's why our association has been ready to serve for more than a century.

Over time, we've expanded who and how we serve to better meet the needs of the ever-changing military community and their families. That work continues, along with the innovative spirit of our founders. We're investing in new technology, launching new products and services, and reimagining how we work to better deliver on our mission.

Advocacy is also fundamental to our mission to serve. In June 2023, USAA, along with founding partners the Humana Foundation, and Reach Resilience, an Endeavors Foundation, founded [Face the Fight™](#) to address the veteran suicide epidemic. Our now 170-member coalition has committed nearly \$85 million to support evidence-based care for those at risk. From this work, we are projected to save more than 3,500 lives by 2032.

**“IT IS YOUR COLLECTIVE TRUST, LOYALTY AND COMMITMENT THAT HAS ENABLED USAA TO SERVE FOR MORE THAN A CENTURY.”**

I am optimistic about the future and the ways USAA is continuing our legacy of service. Our work remains focused on meeting your evolving needs, sustaining our financial strength and ensuring USAA is here for generations to come.

Thank you for your service to this country, and for being a member of our association. I always appreciate hearing from you. The stories of how we have served you inspire us and the feedback when we don't get it right is invaluable as we pursue excellence in delivering on the mission. Please reach out at [wayne@usaa.com](mailto:wayne@usaa.com).

**WAYNE PEACOCK**

President and Chief Executive Officer

# OUR MISSION

## INTRODUCTION



is to empower our members to achieve financial

through highly competitive products, excep

## Leading the way

**USAA is more than a financial services company.** We are a relationship company, grounded in serving the military community and their families with a unique legacy that dates to 1922. Being a part of USAA means you are part of an association of more than 13.5 million members united by military service. Membership is an enduring bond, handed down through the generations and nurtured by the service and value we provide to you and your family.

As a one-stop shop for insurance, banking and advice, we are here to meet you and your family's needs, whether you are insuring your car, buying a home or planning for retirement. More than 37,000 employees — many who have worn the uniform — help provide protection, peace of mind and support.

Your trust and loyalty are the foundation of our association's financial strength. And that strength, coupled with proactive actions taken over the long term, have enabled USAA to be financially strong and grow capital so that we can be there for our members today — and into the future.

Last year, we returned almost \$1.9 billion to our members through distributions, dividends, and bank rebates and rewards. That strong financial position allows us to continue our mission of caring for military families.

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**BEING A PART OF USAA MEANS YOU ARE PART OF AN ASSOCIATION OF MORE THAN 13.5 MILLION MEMBERS UNITED BY MILITARY SERVICE.**



## Membership through generations

**After watching the Iran hostage crisis unfold in the early 1980s, Carol Haskins felt compelled to serve to give back.**

In April 1980, the mom of two young sons had joined the Army Reserve, just one year before the 35-year-old age cutoff.

“It was put up or shut up, and shut up was not the right answer,” she said.

Haskins built a full-time career, serving as active guard reserve in support and logistics roles. She deployed six times from California to Germany, mentored hundreds of soldiers and broke barriers during her 23-year career. She was a single mom raising her sons while managing the demands of military life. She became a sergeant major, the third highest non-commissioned officer rank. And in 1996, she became USAA’s first enlisted member when we welcomed enlisted service members. Throughout our history, USAA has enhanced membership to serve the evolving military community through changes such as expansion to all military branches and opening membership to all who have honorably served.

Haskins’ nearly 30-year relationship with USAA started with a tip from her commanding officers to “call USAA” when she needed help. She first contacted USAA for an auto policy for her Toyota MR2 before deploying to Germany.

“It was an easy, welcome transition,” Haskins said of USAA’s support as she moved to and from Germany. “It’s always seamless. USAA follows you no matter where you are.”

Today, USAA insures her cars, home and valuables. She also uses USAA Federal Savings Bank to pay bills, manage expenses on a low-rate credit card and to protect her savings.

And she’s passed the benefits of membership to her family. When she remarried, her husband became part of USAA, and she helped her first grandchild become a member by establishing a checking account for him.

In 2001, Haskins’ son, Chris McGibbon, became a member, taking advantage of our insurance and banking products. His wife and two young daughters are now members. He has even opened savings accounts for his children, so they have a head start on their financial futures.

“I’m proud of mom’s service and sacrifice. Knowing that my membership came from her means something, and I can pass it down to my daughters,” McGibbon said. “Having the USAA connection is part of what makes us a military family.”

Now retired, Haskins appreciates that USAA has been there every step of the way as she’s moved across the country, grown her family and transitioned from military service. Just as important, Haskins is grateful that she can pass along the benefits of USAA membership to her family, just like the mementos of her life and service.

“USAA has taken care of me,” Haskins said. “And it’s the best way for me to take care of my kids and grandkids.”



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**USAA FOLLOWS YOU NO MATTER  
WHERE YOU ARE.**



# EMPOWERING FINANCIAL SECURITY

## Empowering financial security

**Empowering financial security through the generations is one of the most important ways USAA delivers value for our members.** We do that by tailoring and enhancing products and services to help military families save money and be prepared for the future.

For instance, USAA Federal Savings Bank, which celebrated 40 years in 2023, eliminated fees and offered more ways for you to smartly manage your money.

Because of enhancements, members now have the freedom to use over 100,000 ATMs in the U.S. free of charge with access to [one of the largest surcharge-free ATM<sup>1</sup> networks in the country](#). Those who direct deposit their paycheck can access it up to two days faster.<sup>2</sup> We also continue to refine our overdraft program, and as a result, members avoided paying fees on nearly 75% of overdraft transactions in 2023.

“Saving money matters to our members,” said Lindsay Sacknoff, general manager of bank omnichannel. “By eliminating fees, increasing convenience and providing faster access to paychecks through direct deposit, we’re saving our membership millions of dollars.”

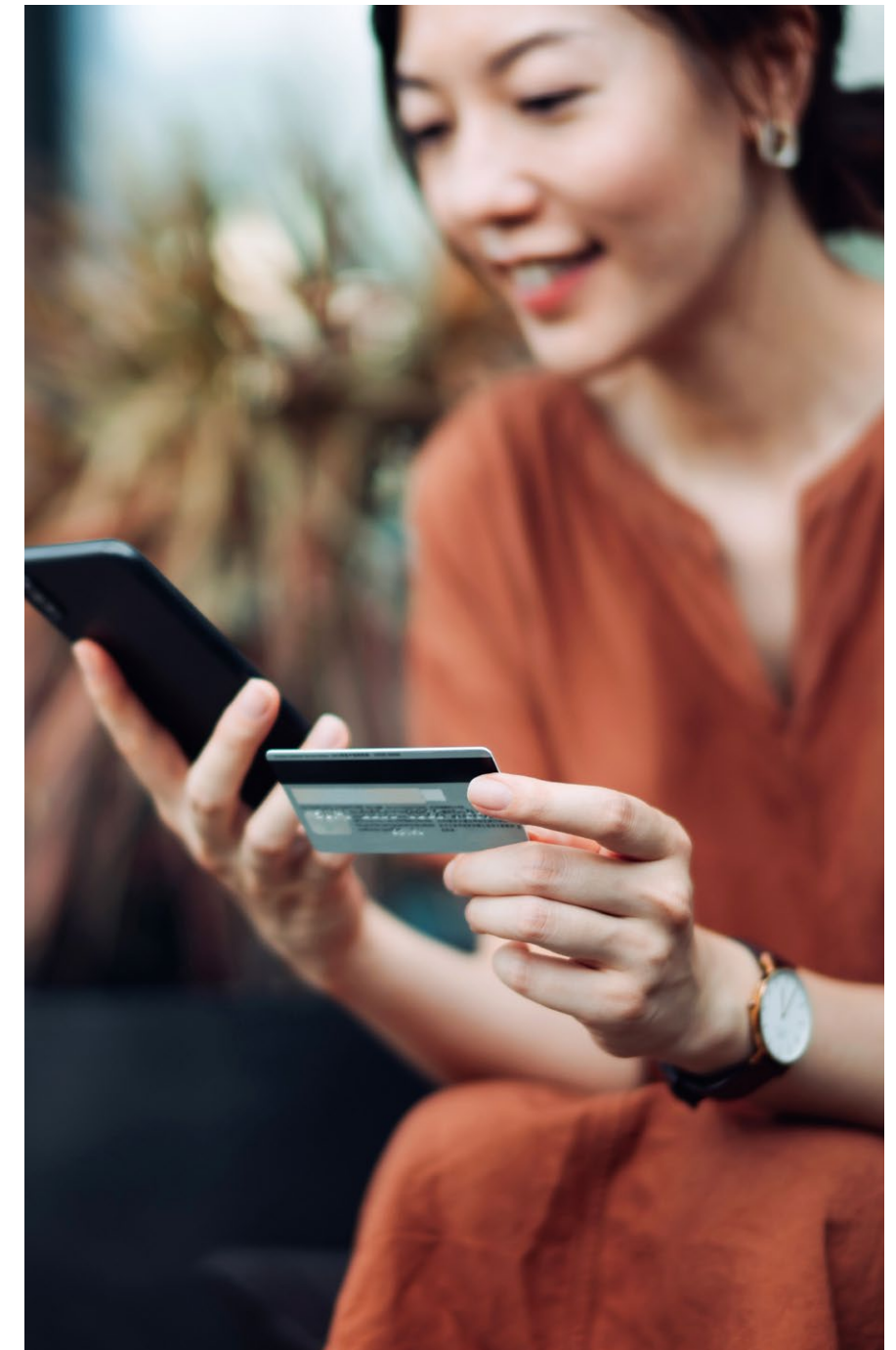
To give members a strong start on buying a home in some of our more expensive markets, we increased the amount members can borrow for [Veterans Affairs \(VA\) jumbo loans with no down payment](#), along with no origination fee. We’re a major provider of VA-backed mortgages so the new offering has a huge impact for home buyers. Members also now have more mortgage loan choices, including condo loans and low-down payment home loans, to make it easier to buy a home.



**NATIONWIDE  
ATM ACCESS**  
surcharge-free

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**BECAUSE OF ENHANCEMENTS,  
MEMBERS NOW HAVE THE FREEDOM  
TO USE OVER 100,000 ATMS IN  
THE U.S. FREE OF CHARGE WITH  
ACCESS TO ONE OF THE LARGEST  
SURCHARGE-FREE ATM NETWORKS  
IN THE COUNTRY.**



## Managing the economic environment

**These new products were introduced as USAA and our members managed ongoing economic challenges and navigated impacts to the insurance and banking industries.**

And with looming government shutdowns and the possibility of a debt ceiling default in 2023, we proactively helped members by creating no-interest loans for those potentially impacted.

Last year also saw a historic number of billion-dollar weather catastrophes, global conflicts in Ukraine and the Middle East, increased inflation and rising interest rates that impacted the cost of goods, services and repairs. These factors contributed to industrywide insurance rate increases, including at USAA.

We understand the stress that increased costs can have on family budgets, and we worked to offset the impacts, including by utilizing technology so that you can potentially manage your insurance costs based on your driving.

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**WE UNDERSTAND THE STRESS  
THAT INCREASED COSTS CAN HAVE  
ON FAMILY BUDGETS.**

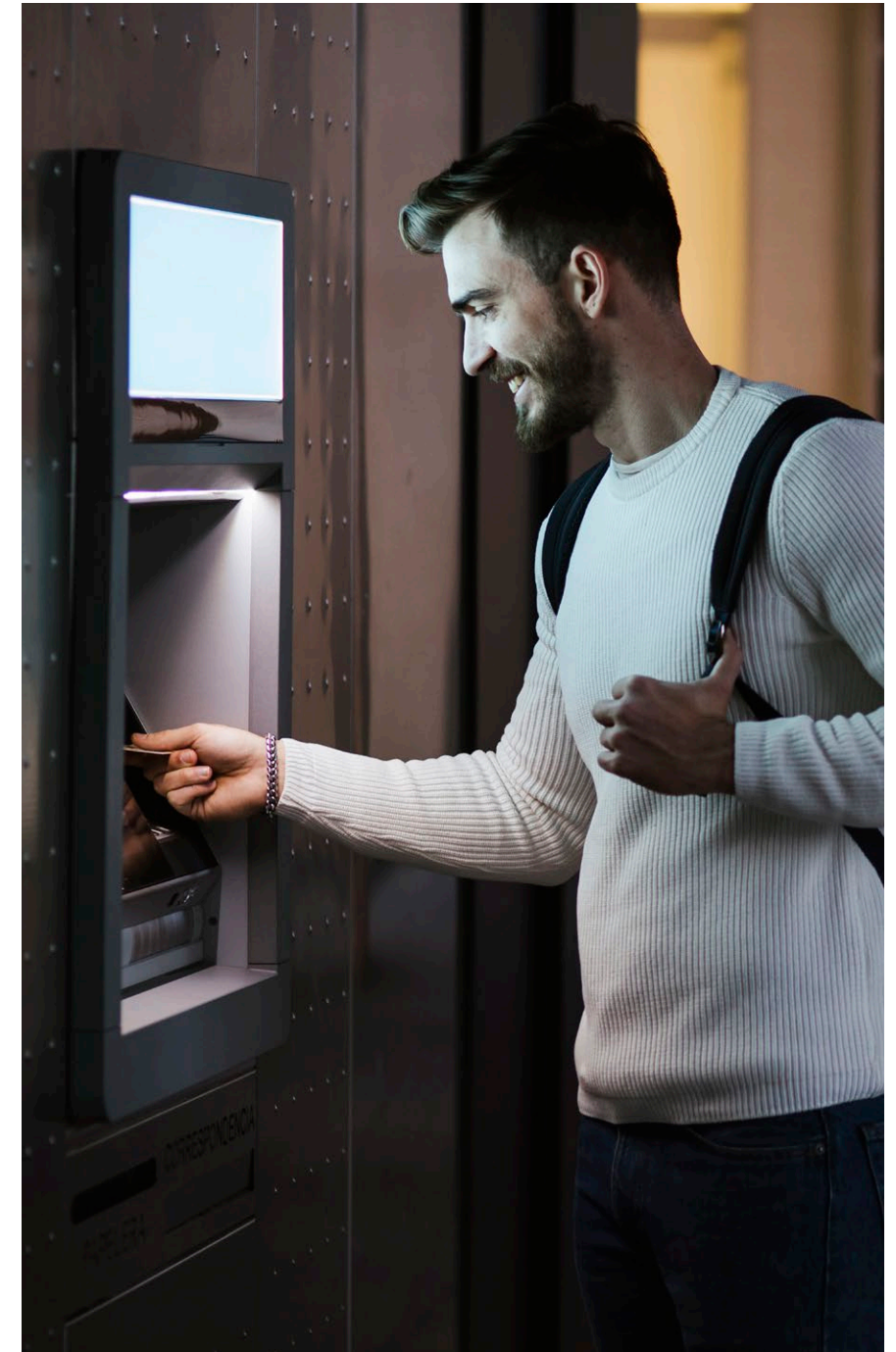
As members, you play an active role in safe driving and can be rewarded for doing so. Through USAA's SafePilot driving program<sup>3</sup> — available with a USAA auto insurance policy — members get up to a 30% discount<sup>3</sup> for good driving habits, which lowers premiums. Members can also save money and learn how to be safer drivers with ‘Pay as you drive’, an auto policy issued through Noblr, a USAA company.

We also expanded our credit card lineup to give you more choice — and power — in how you earn rewards from everyday spending. For the vacation-minded member, USAA launched the Eagle Navigator™ Visa Signature® credit card, offering more points and perks for travel. And with the Cashback Rewards Plus American Express® credit card, military members can earn 5% cash back on their first \$3,000 in combined gas station and on-base purchases every year.<sup>4</sup> In total, USAA Federal Savings Bank returned \$655 million to members in 2023 through credit card rewards.

“In a rising interest rate environment where there’s more stress on the consumer, members are more interested in cashback rewards than they are points. With deposits, consumers are looking at where they can get great value at low or no cost,” said Russ MacKaron, vice president of card experience at USAA Federal Savings Bank. “At USAA, we work to provide great options, from a no annual fee checking product to low APRs for those who need to borrow.”

USAA Life Insurance Co., which celebrated 60 years in 2023, helps members be financially savvy in preparing for retirement. USAA has long offered annuity options for members to protect their hard-earned savings while creating a reliable retirement income source.<sup>5</sup> In 2023, USAA added another option by introducing a fixed indexed annuity that offers more growth potential than a traditional fixed annuity. The interest rate is based on the performance of the S&P 500®, without being part of the market, so it offers more upside potential and no market risk — meaning protected growth.

“It’s a great choice for members who want to make sure they don’t lose money, but want additional opportunity,” said Bill White, a Navy veteran and general manager in USAA Life Insurance Co.

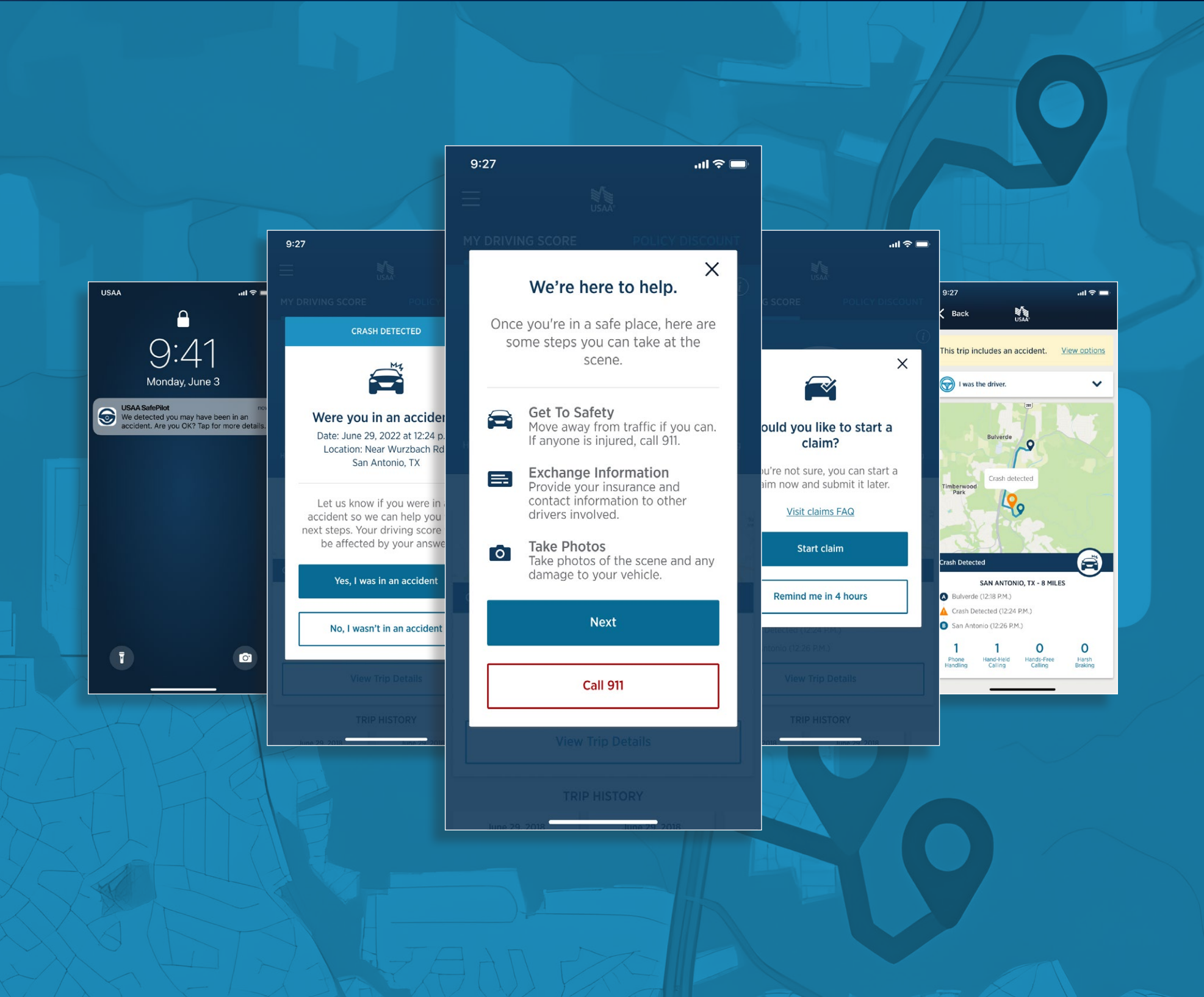


# Driving value and safety

SafePilot® can potentially help drivers save money and drive safely. The program is voluntary and uses the USAA SafePilot app to gather data about driving habits. Members can use the data to be safer drivers and can earn discounts for exhibiting safe driving behaviors. You also receive education and advice on driving safety. Important to note, USAA does not share or sell driving data with third-party companies as part of our privacy promise.

As part of the program, when a collision happens, drivers get an instant notification checking on them, letting them know USAA is here to help and providing tips for what to do next, including how to start the claims process. The program captures the date, time and location, making it easier to track accident details that are necessary for the claims process. Thanks to member insights, we have refined the experience so it's even easier to know what to do.

“WHEN A COLLISION HAPPENS, DRIVERS GET AN INSTANT NOTIFICATION CHECKING ON THEM, LETTING THEM KNOW USAA IS HERE TO HELP AND PROVIDING TIPS FOR WHAT TO DO NEXT, INCLUDING HOW TO START THE CLAIMS PROCESS.”



# Planning for the long term

USAA proactively helps members plan so you can focus on having a great quality of life — regardless of the stage. Alongside our product and service offerings, we weave in actionable advice to help you plan for and be better prepared for significant life events that can impact financial security and well-being. In addition, we keep a pulse on what our members need help with and adjust to better serve you.

“USAA’s 2023 life insurance study uncovered that younger generations know that planning for later-in-life expenses is what is best for their family, but there are factors keeping them from actually doing it,” said Brandon Carter, president of USAA Life Insurance Co. “Our job at USAA is to react to these types of findings and work to ensure our members are aware of life insurance and other products and services that can help you in the future so you can feel comfortable and confident in establishing plans.”

“OUR JOB AT USAA IS TO REACT TO THESE TYPES OF FINDINGS.”

In 2023, USAA and Humana launched co-branded Medicare Advantage plans designed with veterans in mind but available to anyone eligible for Medicare. The Humana USAA Honor Plans, which are now available across Humana’s nationwide footprint, allow Medicare eligible veterans to maintain their VA coverage while also taking advantage of additional coverage benefits at little to no cost. This gives members an extra layer of protection while aging. And it’s part of a range of health insurance options and solutions, including Medicare solutions, major medical plans, supplemental plans like vision, dental, accidental injury, critical illness and cancer insurance.

## USAA LIFE INSURANCE OMNIBUS STUDY: KEY FINDINGS AND TOPLINE DATA



MANY BELIEVE THEY ARE LIKELY TO DIE FROM OLD AGE RATHER THAN OTHER POTENTIAL CAUSES OF DEATH.

Four in 10 (42%) U.S. adults believe they are most likely to die from old age, more than other causes such as a heart attack or cancer.



FAMILY IS THE TOP CONSIDERATION WHEN THINKING ABOUT DEATH AND LIFE INSURANCE.

Two-thirds (66%) of adults said they would spend more time with friends and family if they found out they were going to die soon.



YOUNGER ADULTS ARE MORE INCLINED TO THINK THEY WILL DIE BY ACCIDENTAL MEANS.

Younger adults, ages 18-34, are more likely to consider they might die by alternate means like falling off a cliff (20%) and being hit by a bus (26%).



THERE IS CONCERN AROUND RETIREMENT PLANS AND THE ABILITY TO AFFORD RETIREMENT.

Four in 10 (40%) adults are concerned about their retirement savings.



HALF OF U.S. ADULTS DO NOT HAVE LIFE INSURANCE, WHICH IS PARTICULARLY LACKING AMONG YOUNGER ADULTS.

More than half (57%) of 18-34 year olds and (55%) of 35-54 year olds do not have life insurance, compared to 45% of those 55+.

**Research Methodology**  
KRC Research conducted this study using an online omnibus survey of a representative sample of n=1,114 U.S. adults ages 18 and older. The study fielded between May 26 and May 29, 2023.

Also new last year, USAA teamed with [A Place for Mom](#), a leading advisory service for senior care, to give members access to personalized recommendations on senior living options and VA benefits that can help veterans and their families access critical funds needed to pay for senior living.

Preparing for the unthinkable is part of how you can protect yourself and your family. According to a [recent caring.com survey](#), more than half of Americans do not have a will. So, in 2023, USAA joined forces with Trust & Will,<sup>6</sup> a premier digital estate planning and settlement platform, to bridge that gap.

## Looking ahead

**While not often discussed, life insurance can be one of the most important ways for members to protect loved ones.**

In addition to prioritizing active-duty members' life insurance applications, USAA added new products and launched several digital enhancements in 2023 to make the process of selecting and securing life insurance as smooth as possible.

USAA Eagle Express, an instant-issue term insurance launched in partnership with Bestow, is a fully digital life insurance product aimed at 18- to 50-year-old members. The new process leverages real-time database checks instead of medical exams to determine eligibility — reducing the underwriting process from weeks to minutes, depending on the applicant's medical history. If approved, the applicant receives an instant offer and issue, with the ability to pay with a credit card. Like most of USAA's life insurance policies, Eagle Express also includes military-specific benefits, such as the severe injury benefit and the ability to replace Servicemembers' Group Life Insurance coverage upon military separation or retirement without a medical exam.<sup>7</sup>

Terry Byrum, an employee in USAA Life Insurance Co. and an Air Force veteran, knows firsthand just how important life insurance is. After he lost his son at 19 and his nephew at 25, Byrum and his sister had vastly different experiences. He had purchased a life insurance policy early in his son's life, but she didn't get the chance to establish one for her son.

When his son died, Byrum and his family were able to focus on honoring his son's life and their healing without the added financial strain.

"This experience further reinforced what I've always believed — life insurance is important for everyone in your family," Byrum said. "You never know what will happen, and having the appropriate coverage can make all the difference."



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**USAA EAGLE EXPRESS, AN INSTANT-ISSUE TERM INSURANCE LAUNCHED IN PARTNERSHIP WITH BESTOW, IS A FULLY DIGITAL LIFE INSURANCE PRODUCT AIMED AT 18- TO 50-YEAR-OLD MEMBERS.**



# PROTECTION YOU CAN COUNT ON

## Protection you can count on

**When a natural disaster such as a hurricane or flood occurs, you can count on USAA to be there for you.** In 2023, we paid \$23.9 billion in claims, with more than 350,000 catastrophe-related claims.

And it's not just through programs like the Wildfire Response Program that help protect members — it's also through actions members take through education provided by USAA. For example, USAA encourages homeowners in fire-risk areas to take proactive steps like clearing brush within five feet of your home and keeping gutters clean.

Additionally, floods are the most common and costly natural hazard across the U.S. — so coverage is critical for our members. Flood insurance is offered through the Federal Emergency Management Agency (FEMA) so homeowners must take their own action before a flood event. To make it easier, USAA has long participated in a Write Your Own Flood Policy Program, a cooperative undertaking between the private insurance industry and FEMA that allows participating insurance companies like USAA to write and service flood policies on behalf of FEMA's National Flood Insurance Program. **And because of this enhanced approach, one in four homeowners with USAA has a flood insurance policy, compared to the one in six industry standard.**

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**ONE IN FOUR HOMEOWNERS WITH USAA HAS A FLOOD INSURANCE POLICY, COMPARED TO THE ONE IN SIX INDUSTRY STANDARD.**

### “Saved by USAA again”



Protection is one of the most fundamental ways that USAA helps members, whether it's through our insurance products or by responding to natural disasters with resources like USAA's [Wildfire Response Program](#). In the past five years, teams within the program have responded to more than 350 wildfires in support of our members.

Through the initiative, USAA, alongside our partners, monitors fire risk and activates certified wildland firefighters to mitigate and fight fires when threats loom. The service is automatically added to eligible homeowners and rental property policies for members in at-risk areas in 15 wildfire-prone states at no additional cost. Fire mitigation teams are automatically deployed when there is a wildfire threat near members' homes. These steps can potentially reduce wildfire claims and losses, which benefits all members.

“Our program started as a real-time, in-market pilot initiative to help address a problem we saw our members facing,” said Pedro Martinez, strategic innovation advisor. “Not only do we have dedicated vendors that we partner with to monitor and respond to the fires, but we have a sound communications process that allows

us to deliver information to the homeowners' doorsteps of those in harm's way and to push information directly to their phones if a threat is nearby.”

Last year, Martinez saw multiple times when USAA members' homes and property were saved by the program. Members can help make this program a successful one. Whether it's by providing firefighters access to equipment on the property to assist in fighting the fire or simply ensuring defensible space around the property, it's the partnership between members and USAA that helps approximately 1.8 million members who are in a wildfire risk area prevent losses.

“Through our Wildfire Response Program, we saw several situations that could have resulted in total losses of property for our members if it hadn't been for the proactive response,” Martinez said. “What's unique about our program is that we don't have a threshold for value of the property — and we offer it to all members with a homeowners or rental insurance policy that meet the requirements.”

Martinez said the Gray Fire and Oregon Road Fire in Washington were just two fires in 2023 where resources deployed to protect members' valuable assets.

“We care deeply about our members — and want to continually keep their lives and financial security at the forefront,” Martinez continued. “It's so rewarding to hear feedback from our members that they are ‘saved by USAA again.’ That's what makes our jobs meaningful.”

# HONORING THOSE WHO SERVE

A woman with short grey hair and glasses, wearing a black blazer over a black and white patterned top, stands at a wooden podium, speaking into a microphone. To her right, a man in a green military-style shirt with a patch on the sleeve stands with his hand over his heart. The background is a large screen displaying a collage of military personnel in various uniforms, some saluting. The scene is set on a stage with several grey armchairs in the foreground. The overall lighting is dim, with a blue tint, and the text 'HONORING THOSE WHO SERVE' is overlaid in large, bold, white and yellow letters.

## Preventing veteran suicide: Face the Fight™

**At USAA, the right products and services are key to helping you with your finances and planning.** More so, we pride ourselves in truly knowing what it means to serve — by advocating for, celebrating and honoring our military community.

For retired U.S. Air Force Lt. Col. Christopher Ford, the fight against veteran suicide is personal. As a 20-year veteran with combat tours in Operations Enduring Freedom and Iraqi Freedom, Ford has experienced firsthand the challenges of military service, combat, transition into society, and in the worst moments, the challenges and grief surrounding untimely deaths.

As former CEO of Stop Soldier Suicide, Ford has helped to lead the charge against veteran suicide. More than 120,000 veterans have died by suicide since 2001, and the veteran suicide rate is 72% higher than the national average.

“Veteran suicide is an issue that USAA members and employees have expressed as a top concern,” said Ameesh Vakharia, chief strategy and brand officer at USAA. “Through research, we know that suicide is not inevitable and is preventable. It’s that hope that drove us to develop and launch an initiative in partnership with so many other like-minded organizations, including Stop Soldier Suicide, to cut the rate of veteran suicide.”

Launched in June 2023 with founding partners Reach Resilience, an Endeavors Foundation, and the Humana Foundation, [Face the Fight™](#) seeks to raise awareness and support for veteran suicide prevention. The coalition of corporations, foundations, nonprofits and veteran-focused organizations have an aspirational goal of reducing the veteran suicide rate by half by 2030 through support, connection and hope.

A key component of Face the Fight’s work is funding and providing philanthropic grants to nonprofit organizations that can help stop veteran suicide. Over the past two years, USAA has worked with a team of experts, including the University of Texas Health Science Center at San Antonio, the Department of Veterans Affairs, Department of Defense, RAND Corp. and nonprofit alliances to design the philanthropic strategy and identify outcomes necessary to stop veteran suicide.

Since launching, USAA and The USAA Foundation, Inc. have committed \$50 million to the initiative, inspiring \$34 million in philanthropic commitments over the next five years from other companies, private foundations and individual donations. Additionally, the Face the Fight

coalition has grown to 150 members to strengthen and complement the efforts of the Department of Veterans Affairs, Department of Defense, White House and many others.

“It’s easy to focus on this problem in terms of numbers, percentages and statistics, but these are real people who had friends, family members and loved ones,” said Ford. “Stop Soldier Suicide and other organizations are not giving up. We are relentless in testing new ideas and evidence-based approaches to bring hope. We are all grateful to work alongside USAA and other Face the Fight partners to stem the tide of military suicide — because every veteran and service member deserves the opportunity for a brighter future.”



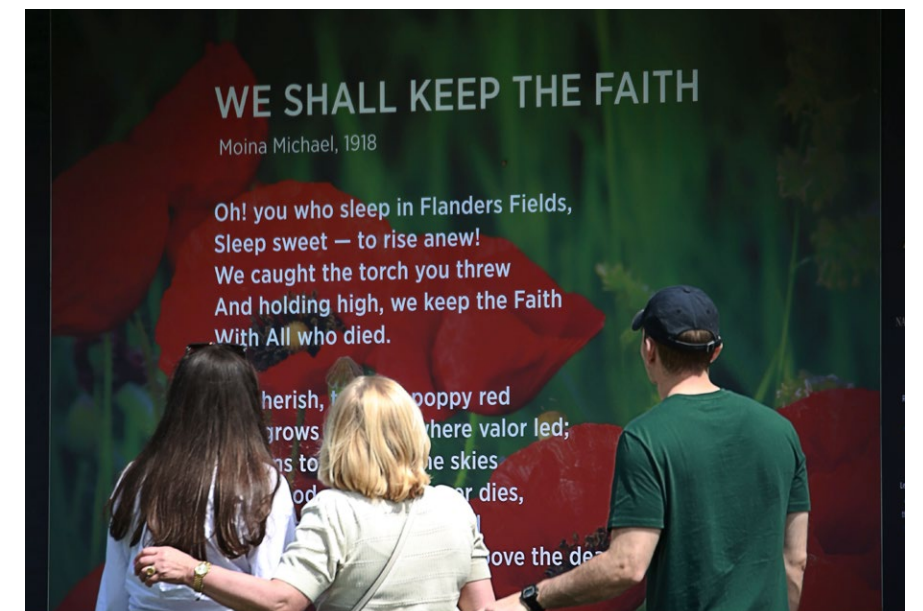
## Honoring the fallen

**Our members, as active-duty military personnel and veterans, understand that a commitment to serving one's country can sometimes mean making the ultimate sacrifice.** At USAA, understanding the unique needs of the military community and their families also means remembering those we've lost and providing unwavering support to those grieving the death of a loved one.

Beginning in 2018, USAA has installed the [Poppy Wall of Honor](#) on the National Mall in Washington, D.C. over the Memorial Day weekend to help bring awareness to the true meaning of the observance.

“Memorial Day is a time for all Americans to pause and pay their respects to those who have made the ultimate sacrifice for our country,” said retired U.S. Army Maj. Gen. Johnny Richardson, senior vice president of military affairs at USAA. “By bringing collective awareness to the meaning of Memorial Day, our hope is that we keep the spirit and memory of so many of our loved ones alive and continue to remember those who have sacrificed so much for our freedoms.”

With any death, there is a family that is left behind who needs support. In addition to USAA's dedicated [Survivor Relations Team](#) that proactively cares for survivors, USAA supports families in their greatest time of need through the [Tragedy Assistance Program for Survivors](#) (TAPS), a national nonprofit organization offering comprehensive resources and care to surviving family members. As the primary funders for TAPS, USAA and The USAA Foundation, Inc. provide casework support and emergency financial assistance to surviving family members. Since 2015, we have provided emergency financial assistance and counseling to 20,000 families, with the goal of helping them prepare for future financial needs and improve their long-term financial security and self-sufficiency.





# DELIVERING ON OUR MISSION

## Delivering on our mission

**Meeting the ever-evolving needs of military families requires us to be a well-run business that manages threats, keeps member data secure and stays on top of industry trends while monitoring economic and climate risks.** Having a purpose-driven mission, good governance and a strong sense of ownership play a huge role, and you'll find that accountability at every level from our board to our frontline employees.

## Keeping members' data secure

**Cyber threats pose a significant risk to USAA and our country's critical infrastructure.** We know you trust us with your information, data and transactions, and we take seriously our responsibility for safeguarding the confidentiality, integrity and availability of your data in a compliant way.

USAA leverages an intelligence-driven, risk-based and adaptive approach to anticipate and respond to the emergence of new threats and advancements in technology trends through a multi-faceted and proactive defense strategy. Our Cyber Threat Operations Center provides 24/7 monitoring of USAA's systems and blocked, on average, more than 700 million attacks each month in 2023. We also communicate constantly with other financial institutions and government agencies, as appropriate, to stay current on emerging trends and continuously strengthen our suite of preventative and detective cybersecurity capabilities to prevent disruptions. As threats continue evolving, we will commit to enhancing our protective measures.

In 2023, USAA blocked more than 3,200 phishing websites targeting members. You can do your part to protect your data by taking advantage of USAA's added security measures, including through

multi-factor authentication (MFA), personal PINs and other security features for identity verification to help prevent fraud.

We also make sure that every employee has the knowledge and training to help manage cybersecurity and privacy risks. USAA employees take annual security awareness training relevant for their role and level of access. In addition, USAA maintains information security policies, standards and procedures that are designed to comply with all applicable data security laws, regulatory guidance and industry frameworks like the National Institute of Standards and Technology Cybersecurity Framework and the Cyber Risk Institute Profile, a widely adopted benchmark for cybersecurity and resiliency in the financial services industry that gives a simple mechanism for assessing maturity to the framework.

USAA also regularly evaluates the effectiveness of our cybersecurity program through a comprehensive approach that consists of thorough assessments, simulations and testing to reveal strengths and opportunities in our cybersecurity capabilities.

### OUR PRIVACY PROMISE

**We don't sell member information.** We share information outside of USAA only as permitted by law for our everyday business purposes.

**Member information is confidential.** Our employees and the companies we contract with are obligated to hold member information in the strictest confidence.

**We protect member information.** We mitigate malicious activity and have physical security on site and rigorous information security procedures.



# Protecting our shared environment

**Caring for our shared environment and making our members, families, USAA and future generations of the military community and their families more resilient is core to our mission.** This includes enhancing USAA’s resiliency to a changing climate.

A key example of how we’re working toward resiliency is by ensuring our members have access to products and services that will protect you from floods and wildfires. Our work with industry partners such as the Insurance Institute for Business & Home Safety and the Federal Alliance for Safe Homes helps promote resilient building codes, which strengthens communities.

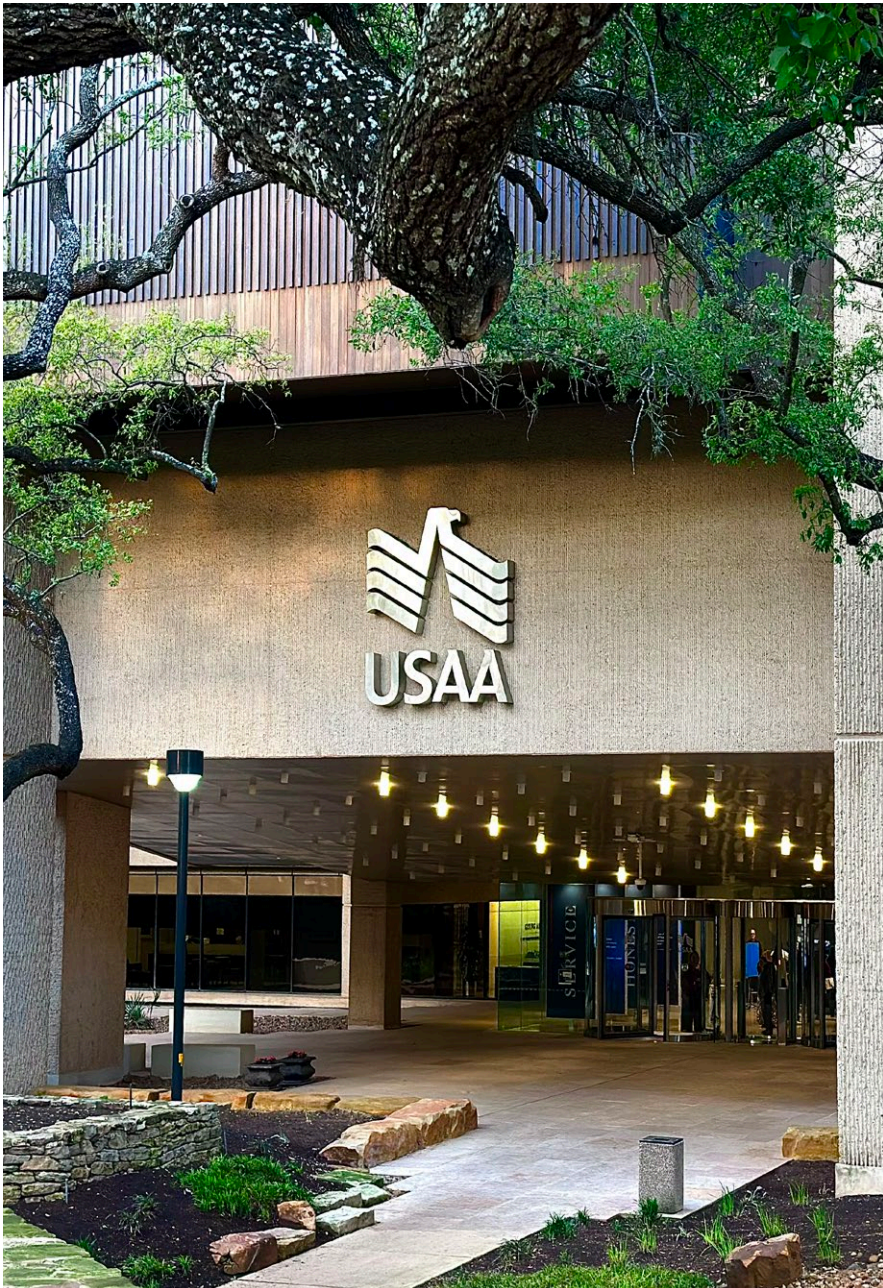
Another prominent example of resiliency is how and where we serve our members. To ensure we serve you wherever and however you need us, we have been a digital industry leader, freeing us from brick-and-mortar physical branches and offices. This means we use less energy and produce fewer greenhouse gas emissions.

“At USAA, we are constantly thinking about how we can help our members be more resilient while also being good stewards of our

environment and contributing to sustainable communities,” said Mike Dillinger, assistant vice president of sustainability. “As USAA has grown, we have continued to focus on how we can serve our members through digital channels and over the phone. This allows us to have less environmental impact while still providing the utmost service our members deserve.”

Where we do have a physical footprint, more than 7 million square feet of space are LEED and ENERGY STAR® Certified, including our main headquarters building in San Antonio, the largest financial office in America to earn ENERGY STAR Certification. We also have been actively working to reduce natural resource consumption with more than 50% of all waste in our offices sent to recycling facilities, more than 3 million pounds of paper, glass, plastic and other materials recycled, and, since 2019, have reduced freshwater consumption by 31%, saving over 31 million gallons.

Additionally, we actively look at where we can incorporate renewable power into our operations. USAA is the largest purchaser of wind power in San Antonio, Texas, and the Phoenix campus operates a 1.2-megawatt solar installation that generated 1.9M kilowatt hours in 2023.



## STEWARDSHIP STATS

<b>7M+</b> SQUARE FEET OF SPACE LEED AND ENERGY STAR CERTIFIED	<b>LARGEST</b> FINANCIAL OFFICE IN U.S. TO EARN ENERGY STAR CERTIFICATION: OUR HEADQUARTERS IN SAN ANTONIO	<b>50%+</b> OF ALL WASTE IN OUR OFFICES SENT TO RECYCLING FACILITIES	<b>3M</b> POUNDS OF PAPER, GLASS, PLASTIC AND OTHER MATERIALS RECYCLED	<b>31%</b> REDUCED WATER CONSUMPTION SINCE 2019 EQUALING 31M+ GALLONS SAVED	<b>1.2 MW</b> SOLAR ARRAY AT OUR PHOENIX CAMPUS THAT GENERATED 1.9M KW HOURS IN 2023
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## We plan for the future

### Always innovating

**From our beginnings in 1922, innovation has been a part of USAA's legacy.** Throughout our history, we've led the way in creating or embracing new technologies to make it easier for members to do business with us. We have more than 3,000 pending and issued patents and we rank in the top half of the Intellectual Property Owners Association's Patent 300® list, steadily climbing the ranking from No. 288 in 2010 to No. 109 in 2023.

Through USAA Labs, where members and employees can share their ideas to make life easier, the company's innovation often leads to widespread industry use, from our early adoption in using 1-800 numbers to our creation of groundbreaking technology to enable members to deposit checks on your mobile device.

In 2023, USAA entered into licensing agreements with several banks that include Truist Bank and Discover Financial Services, allowing such banks to utilize our remote deposit capture patents so their customers can continue depositing checks via mobile devices.

We continue to see members' use of digital channels grow — more than \$11.3 billion was sent through Zelle by our members (up 21% year over year), 9.5 million digital auto ID cards issued (up 11% year over year), more than 3.5 million claims submitted through digital channels (up 2% year over year) and more than \$33.7 billion (down 4% year over year) in deposits were made through the app. With this growth, we're focused on personalizing each member's digital experience to make doing business with us easier. In 2023, we added a new functionality that provides a seamless conversation from where you start it to where you end it. For example, if you start a conversation on the app but then need to speak with someone on the phone, your information and details of the call will be carried over. And we're including helpful advice along the way, weaving in information and guidance to improve your financial health while you transact with us.



## We work as one team

### Embracing military culture

Like many of USAA's veteran hires, Rodney Thomas first experienced USAA as a member. As a young airman, he was called to his first combat deployment in Iraq. He knew how to get ready for the mission. But he had no idea how to get ready for putting life on hold at home.

He called USAA to find out what to do with his car. The representative started by asking how he felt as a young man preparing to deploy to a dangerous situation.

"Her first question wasn't about my car or where I'd be storing it, it was about me. It's what I needed to hear in that moment, because I'd never really thought about how I felt. No one had asked," Thomas said.

Little did the representative know how much those words would resonate with a young man who lost his mother when he was just 9 years old and had dedicated his life to making her proud.

"Those words put me at ease and made me feel like I could trust her. The interaction with this insurance professional provided an experience that I would never forget," Thomas said.

Years later, Thomas became the person on the other side of the call, joining USAA as an insurance service representative. He paid it forward when he took a call from a young airman preparing for his first deployment. It reminded him of his why — why he served and why he chose USAA as a member and employer. It's a lesson he's never forgotten.

Thomas is one of more than 37,000 employees who embrace USAA's military culture because they were born into it, became a part of it or are inspired by it. With nearly one-quarter of our employees identifying as a veteran or military spouse, our team brings an informed perspective to the job — because no one understands the military experience like those who have served. And this includes spouses who serve while taking care of families when a service member deploys.

We actively seek out and support veteran and military spouse employees through numerous efforts, including Hiring Our Heroes, an initiative of the U.S. Chamber of Commerce Foundation. In hosting military spouse and service member fellows through various fellowship programs, USAA has created a dual-use model that allows fellows to compete for direct-hire opportunities and receive invaluable experiential learning opportunities. USAA is one of the top companies supporting Hiring Our Heroes fellows. Since 2019, we have hosted nearly 300 fellows, and close to half of them landed full-time roles at USAA.

Our dedication to fostering a positive work environment for military-affiliated employees is reflected in our recognition in the

annual list of Military Friendly® Employers. This list measures an organization's commitment, effort and success in creating sustainable and meaningful benefits for the military community. USAA has appeared on the list every year since the program began in 2003 and currently ranks sixth.

"USAA is a unique place not only because of who we serve, but because of who we have on our team," said retired U.S. Army Maj. Gen. Bob Whittle, chief of staff at USAA. "Many of our employees come to USAA to continue their service to the military community and their families — they are veterans, military spouses and family members who care deeply about our mission."



# BUILDING STRONGER COMMUNITIES

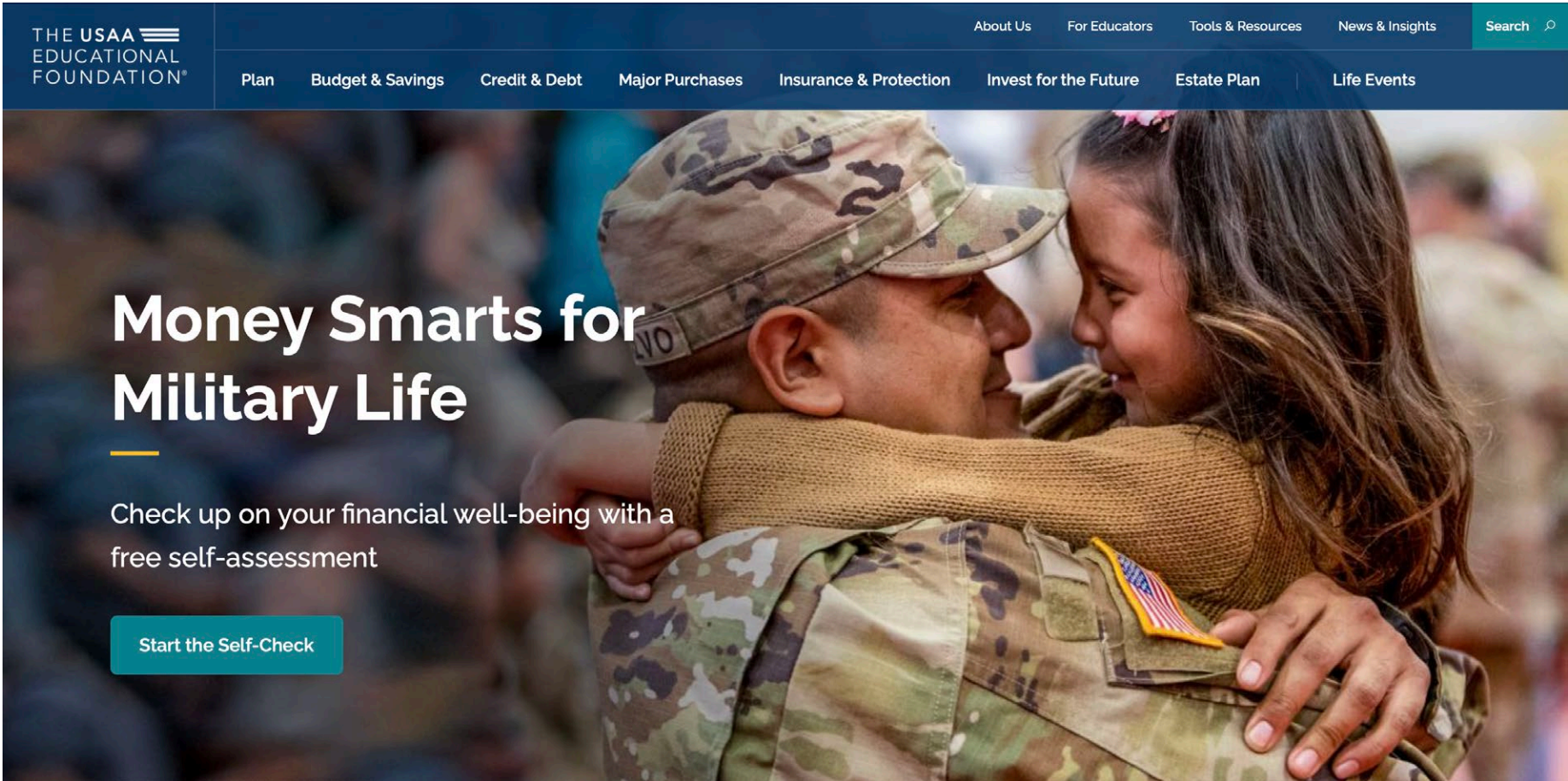


# Growing financial literacy

When members understand how to build strong financial lives as informed consumers, it makes military families, our association and communities better. The USAA Educational Foundation now focuses more heavily on improving financial stability. Its website now contains more than 200 pages of financial education materials tailored to military members that are shared through social media channels and key partnerships.

In addition to providing financial advice, USAA supports numerous nonprofits that help individuals gain the skills and tools to improve their financial opportunity. We have invested millions in life-changing programs for our military families and communities. Our contributions, along with our employees’ generous donations of time and resources, have positively impacted lives through career training, scholarships, mentorship and access to capital for small businesses.

We also help our military families and veterans bolster your financial security through efforts to improve the VA Home Loan Guaranty Program and expand housing support payments. We’re focused on advocating for public policy changes that facilitate meaningful employment for military spouses and raise awareness about the unique challenges they face in maintaining and building their careers.



USAA SUPPORTS NUMEROUS NONPROFITS THAT HELP INDIVIDUALS GAIN THE SKILLS AND TOOLS TO IMPROVE THEIR FINANCIAL OPPORTUNITY. WE HAVE INVESTED MILLIONS IN LIFE-CHANGING PROGRAMS FOR OUR MILITARY FAMILIES AND COMMUNITIES.

# Community leadership

**Our employees, members and communities have a long history of working together to make the places where we live and work stronger.** In 2023, USAA continued our focus on signature causes — military family resiliency and strengthening local communities — by providing support for mental health and well-being, economic mobility, basic needs and ways to inspire others.

USAA and The USAA Foundation, Inc. made approximately \$46 million in philanthropic contributions in 2023. USAA employees extended that impact through their personal giving and volunteering. In total, USAA employees logged more than 267,000 volunteer hours and contributed more than \$7 million to nonprofits (a total of \$13 million with USAA matching) in 2023. According to Chief Executives for

Corporate Purpose, an organization dedicated to driving measurable returns on purpose, USAA is in the top quartile and top decile for employee giving and volunteerism among all companies in their report.

For employees like Dan Andrews, one of USAA’s attorneys, giving back means gaining much more in return. As part of pro bono legal work he does through USAA’s volunteering program, Andrews was able to prevent a disabled veteran from being kicked out of temporary housing and ending up on the streets.

“I am serving the USAA mission by providing volunteer services for low-income veterans and active-duty service members, using my legal knowledge to truly help them,” Andrews said. “And I am being rewarded with a full heart.”



## Beyond thanks: Survey shows veterans looking for support beyond platitudes

USAA leverages military observances, like Veterans Day, to bring awareness to military life and how best to support the military community. A [2023 Veterans Day survey](#) found that military members want Americans to go beyond small talk to connect with them on a deeper level. The survey found, among other details, that nearly 70% of younger military/veterans say they feel uncomfortable or awkward when someone says, “Thank you for your service.” In response to the findings, USAA launched the “Go Beyond Thanks” campaign to honor the military and veterans by going beyond simple gratitude to create real, positive impacts in the community every day.

A key part of the initiative encourages people to seek out meaningful connections with veterans. Alongside Face the Fight, the campaign drove attention to conversations about mental wellness and asking for help to minimize the stigma around these conversations.



“  
Going beyond thanks is not just thanking someone for their service, and it being a verbal exchange, but to help someone who is in need.  
— Audrey M.  
USAA employee,  
Air Force veteran



# MAINTAINING FINANCIAL STRENGTH

## Overview

### Management actions taken and investments made over the past few years enabled a return to profitability in 2023.

Since the pandemic, the external environment has presented significant and uncertain challenges for USAA and our members. Last year saw both new and ongoing headwinds, with historic catastrophes, elevated interest rates, record inflation and a banking industry crisis. USAA overcame these pressures through disciplined execution of efforts that strengthened our financial foundation today and for the years to come.

The external environment impacted our businesses in varying ways. Historic catastrophes and inflationary pressures drove elevated P&C losses while USAA Federal Savings Bank and USAA Life Insurance Co. benefited from high interest rates. Investment performance gains from favorable equity markets were partially offset by deteriorating commercial real estate values. With a solid capital foundation, we are positioned to weather future challenges and continue to meet commitments to our members now and into the future.

## Management's responsibility for financial reporting

**USAA's management is responsible for the integrity and objectivity of the financial information presented in this annual report.** Due to the volume of financial information contained in the audited consolidated financial statements, including the accompanying footnotes, we have chosen not to include the full audited consolidated financial statements in this report to members.

The financial statements that appear in this document have been selected from the audited consolidated financial statements to give summary financial information about USAA. For purposes of year-over-year comparisons, certain prior-year amounts were reclassified to conform to the current-year presentation. The selected financial information was prepared by USAA in accordance with generally accepted accounting principles ("GAAP"). Management believes the financial information contained in the audited consolidated financial statements fairly represents USAA's financial position, results of operations and cash flows. A copy of the complete audited consolidated financial statements of USAA, including Ernst & Young LLP's unqualified independent auditor's report thereon, is available upon request to USAA headquarters in San Antonio.

USAA's internal controls are designed to reasonably ensure that USAA's assets are safeguarded from unauthorized use or disposition and that USAA's transactions are authorized, executed and recorded properly. In addition, USAA has a professional staff of internal auditors who monitor these controls on an independent basis. Furthermore, the Finance and Audit Committee of USAA's Board of Directors engaged Ernst & Young LLP as independent auditors to audit USAA's financial statements and express an opinion thereon. While Ernst & Young LLP's audit took into

consideration USAA's internal controls over financial reporting for purposes of designing audit procedures that support their financial statement audit opinion, Ernst & Young LLP does not express an opinion on the effectiveness of USAA's internal controls over financial reporting. The Finance and Audit Committee of USAA's Board of Directors consists of members who are not officers or employees of USAA. This committee meets periodically with management, internal auditors and Ernst & Young LLP to ensure that management fulfills its responsibility for accounting controls and preparation of the consolidated financial statements and related data.



WAYNE PEACOCK  
President Chief Executive Officer



JEFF WALLACE  
Chief Financial Officer

“

**WITH A SOLID CAPITAL FOUNDATION, WE ARE POSITIONED TO WEATHER FUTURE CHALLENGES AND CONTINUE TO MEET COMMITMENTS TO OUR MEMBERS NOW AND INTO THE FUTURE.**

## Consolidated statements of comprehensive income

**Due to prudent management decisions and purposeful actions, USAA reported a net income of \$1.2 billion in 2023.** After a decrease in 2022, revenues increased by 17% in 2023, driven by strong product revenue performance across the lines of business. Strong product revenue growth was primarily driven by auto and homeowners product growth as well as strong annuity performance. Also contributing to improved revenues were investment returns, which were up 67% over 2022 from favorable equity market performance and higher interest rates.

Total losses, benefits and expenses rose by \$3.1 billion from the prior year, as historic catastrophe losses were only partially offset by lower non-catastrophe losses and disciplined expense management that led to lower net general and administrative expenses for the second consecutive year.

Other comprehensive income improved \$12.5 billion year over year as higher market valuations from lower interest rates drove higher unrealized gains in our available for-sale investment portfolio.

YEARS ENDED DECEMBER 31 (DOLLARS IN MILLIONS)	2023	2022	2021
<b>REVENUES</b>			
Insurance premiums, net	\$32,234	\$28,097	\$26,323
Investment returns:			
Interest and dividends earned, net	4,007	3,985	3,140
Gains (losses) on investments, net	724	(1,157)	1,918
Total investment return	4,731	2,828	5,058
Gains on sale of loans, net	67	147	364
Fees, sales and loan income, net	4,924	3,911	3,811
Real estate operations	258	463	1,046
Other income <sup>1</sup>	279	851	928
Total revenues	42,493	36,297	37,530
<b>LOSSES, BENEFITS AND EXPENSES</b>			
Net losses, benefits and settlement expenses	29,406	27,380	22,800
Amortization of deferred policy acquisition costs	969	780	737
Real estate expenses	82	56	117
Interest expense	864	205	111
Dividends to policyholders	149	144	219
Other operating expenses <sup>2</sup>	9,675	9,485	9,744
Total losses, benefits and expenses	41,145	38,050	33,728
Pretax income (loss)	1,348	(1,753)	3,802
Income tax expense (benefit)	131	(472)	428
Net income (loss)	1,217	(1,281)	3,374
Less: Net income attributable to noncontrolling interests	4	15	74
<b>Net income (loss) attributable to USAA</b>	<b>1,213</b>	<b>(1,296)</b>	<b>3,300</b>
Other comprehensive income (loss), net of tax	2,064	(10,482)	(2,558)
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>	<b>\$3,277</b>	<b>(\$11,778)</b>	<b>\$742</b>

<sup>1</sup> Includes various items such as miscellaneous product revenue, royalty income and fees.

<sup>2</sup> Includes various items such as personnel costs, IT costs, loan losses and premium taxes.

## Consolidated balance sheets

Management and our Treasury teams continued to effectively manage the association's balance sheet, with an eye on both near- and long-term strength. Our focus on proactively mitigating financial risk and actively managing capital and liquidity ensured we maintained a resilient balance sheet in 2023. Net worth improved \$1.7 billion year over year or 6%, attributable to higher unrealized gains in our available for-sale investment portfolio, due to higher market valuations from decreased interest rates.

Assets finished the year at \$212 billion, \$7.6 billion or 4% higher than 2022. The increase in assets was largely driven by USAA Life Insurance Co. annuity growth, increases in P&C premiums due from policyholders, as well as higher consumer loan balances due to increased accounts and loan sizes as demand increased.

Liabilities were up 3% to \$182 billion, driven primarily by higher insurance reserves resulting from increased P&C written premiums as well as growth in the annuity business. Liability growth was also driven by higher bank borrowings to support member loan growth while maintaining the bank's strong liquidity position. Partially offsetting these increases was a decline in bank deposits, a result of inflationary pressures and industry competitiveness impacting member savings and checking balances.

YEARS ENDED DECEMBER 31 (DOLLARS IN MILLIONS)	2023	2022	2021
<b>ASSETS</b>			
Cash and cash equivalents	\$11,769	\$11,738	\$13,675
Investments	119,993	118,785	134,656
Loans, net	43,439	40,617	38,107
Premiums due, net	6,922	5,735	5,102
Property, equipment and software, net	2,614	2,544	2,112
Reinsurance recoverables, net	4,705	4,539	4,581
Deposit assets	12,436	10,285	6,521
Deferred income tax assets, net	3,591	3,893	350
Other assets <sup>1</sup>	6,169	5,869	5,573
Total assets	\$211,638	\$204,005	\$210,677
<b>LIABILITIES</b>			
Bank deposits	\$96,935	\$101,645	\$104,648
Insurance reserves	42,020	36,792	32,309
Funds held under deposit contracts	26,402	23,774	22,589
Borrowings	8,565	5,853	1,820
Accounts payable and accrued expenses	2,425	2,414	2,400
Other liabilities <sup>2</sup>	6,143	6,100	6,765
Total liabilities	\$182,490	\$176,578	\$170,531
<b>NET WORTH</b>			
Total net worth	\$29,148	\$27,427	\$40,146
<b>TOTAL LIABILITIES AND NET WORTH</b>	<b>\$211,638</b>	<b>\$204,005</b>	<b>\$210,677</b>

<sup>1</sup> Includes various items such as accounts receivable and pension plans.

<sup>2</sup> Includes various items such as accrued credit and debit card rewards, and benefit plan obligations.

# Member distributions

In 2023, USAA returned almost \$1.9 billion to our members through distributions, dividends, and bank rebates and rewards. These distributions demonstrate our continued commitment to enhance the value of membership and show appreciation for our members’ loyalty.

YEARS ENDED DECEMBER 31 (DOLLARS IN MILLIONS)	2023	2022	2021
Subscriber’s Account distributions	\$323	\$343	\$432
Senior Bonus distributions <sup>1</sup>	293	315	307
Subscriber’s Account terminations	323	350	277
Automobile policyholder dividends	108	103	178
Total property and casualty distributions	\$1,047	\$1,111	\$1,193
Life insurance policyholder dividends	40	41	41
Bank rebates and rewards	768	825	748
TOTAL DISTRIBUTIONS TO MEMBERS <sup>2</sup>	\$1,855	\$1,977	\$1,982

Past dividends or distributions are not a guarantee or promise of future dividends or distributions.  
<sup>1</sup> Senior Bonus distributions represent additional Subscriber’s Account distributions for eligible members of the association with more than 40 years of membership.  
<sup>2</sup> Includes amounts returned to members, associates and other customers.



**Investments/Insurance: Not a Deposit • Not FDIC Insured • Not Bank Issued, Guaranteed or Underwritten • May Lose Value**

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

2 Early access to direct deposit funds is subject to when USAA Federal Savings Bank receives notice of payment from the payer, which is generally one to two business days before the scheduled payment date. Early access to direct deposit funds is not guaranteed, may be stopped at any time, and may vary between pay periods.

3 The USAA SafePilot program is an optional discount program available with USAA Auto Insurance. Member must have an active USAA Auto Insurance policy and enroll in SafePilot to receive discount. This program is only available in select states. Program availability and state restrictions apply. Smartphone and download of the USAA SafePilot® App required.

Participation discount expires at first renewal in which the earned driving discount is applied, not to exceed 365 days. Earned driving discount is offered at renewal and is based on driving behavior of all the rated drivers on the policy. Discount may vary by state and over the life of the policy.

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

4 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.

5 Guarantees apply to certain insurance and annuity products and are subject to product terms, exclusions and limitations and the insurer's claims-paying ability and financial strength

6 Trust & Will's probate services are not designed or intended to support complex probate needs. Services not available in all counties or states.

7 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 (ICC23506055 04-23) (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. Rider Form LBR97953ST 03-14 and ICC1497953 03-14 (may vary by state). Military Severe Injury Benefit Rider and Military Future Insurability Rider not available in New York.

This material is for informational purposes and is not investment advice, an indicator of future performance, a solicitation, an offer to buy or sell, or a recommendation for any specific product. A Financial Readiness Score should not be used as the primary basis for making investment or financial decisions. A Financial Readiness Score provides a basic assessment that is based on information and assumptions provided by you regarding your goals, expectations and financial situation, but it does not guarantee financial success or replace more detailed financial planning. The calculations do not infer that USAA assumes any fiduciary

duties. Consider your own financial circumstances and goals carefully before investing or purchasing financial products. Before making any decision, consult your own tax, financial or legal advisors regarding your situation. Information provided by you in connection with the Financial Readiness Score tool is voluntary, will not be considered in connection with a request or application for credit or insurance products/services, and may be used by USAA for marketing and other business purposes as set forth in the USAA Privacy Promise.

**IMPORTANT:** The projections or other information generated by the tool regarding the likelihood of various investment outcomes are for informational purposes only, are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. They are intended to provide an estimate of your plan over time and reflect USAA's thoughts on overall financial readiness and strength. The tool encourages you to consider USAA products, which benefits USAA. Revisit the tool periodically. Results are based on information provided by you at a moment in time and are relevant for only as long as that information remains the same. When the assumptions or data you have entered change in the future, or updates to the data utilized by the tool occur, so will the projected results from the tool. Results may vary with each use of the tool and over time, and results may vary depending on the information provided by you.

Use of the term "member" or "membership" refers to membership in USAA Membership Services and does not convey any legal or ownership rights in USAA. Restrictions apply and are subject to change. To join USAA, separated military personnel must have received a discharge type of Honorable or General Under Honorable Conditions. Eligible former dependents of USAA members may join USAA.

The National Flood Insurance Program is not underwritten by United Services Automobile Association (USAA) or its affiliates based in San Antonio, Texas, and is provided by USAA General Indemnity Company (USAA-GIC), through an arrangement with the Federal Emergency

Management Agency. The Federal government has financial responsibility for underwriting losses. The National Flood Insurance Program USAA-GIC is not available in Guam, U.S. Virgin Islands, Puerto Rico or overseas.

The typical homeowners or rental property insurance policy doesn't include flood coverage, and in some locations, you may also need to obtain a wind-only insurance policy. Flood insurance can be purchased separately through the National Flood Insurance Program. The maximum limits of coverage available on the federal flood policy for residences are \$250,000 on the building and \$100,000 on contents. If you need additional flood insurance coverage beyond these amounts, you can contact USAA Insurance Agency, which works with other insurance companies that provide excess flood coverage. Private flood coverage is not affiliated with the National Flood Insurance Program.

USAA Auto Insurance underwritten by United Services Automobile Association (USAA), USAA Casualty Insurance Company, USAA General Indemnity Company, Garrison Property and Casualty Insurance Company, based in San Antonio, Texas; USAA Limited (UK) and USAA S.A. (Europe), and is available only to persons eligible for P&C group membership. Each company has sole financial responsibility for its own products. Coverages subject to the terms and conditions of the policy.

Pay as you drive auto insurance underwritten by NOBLR Reciprocal Exchange, San Antonio, TX, a USAA company, and is available only to persons eligible for P&C group membership. Coverages subject to the terms and conditions of the policy.

Noblr is a registered trademark of Noblr, Inc.

Visa is a registered trademark of Visa International Service Association and used under license.

American Express is a federally registered service mark of American Express and is used by USAA Savings Bank pursuant to a license.

A down payment will be required if the purchase price exceeds \$1.5 million. If previous entitlement was used, a down payment may be required.

VA loans require a one-time fee called a VA funding fee which may be collected at closing or rolled into your loan. The fee is determined by the loan amount, your service history and other factors. A down payment on your VA loan may be required in certain circumstances and maximum loan limits vary by county.

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.

No Department of Defense or government agency endorsement.

The USAA Educational Foundation (the "Foundation") is a nonprofit organization sponsored by USAA. The purpose of the Foundation is to lead and inspire actions that improve financial readiness in the military and local community. Its resources are available online and free of charge. The Foundation does not endorse or promote any commercial supplier, product or service.

The USAA Foundation, Inc., a nonprofit organization, does not endorse or promote any commercial supplier, product or service. USAA is the sponsor of The USAA Foundation, Inc.

USAA Federal Savings Bank offers deposit, credit card, consumer lending, mortgage, and other banking products and services. USAA Federal Savings Bank is a Member of FDIC. Credit card, mortgage, and other lending products not FDIC-insured.

Effective June 1, 2024, USAA Savings Bank and USAA Federal Savings Bank are merging. Once the merger is complete, all bank products will be provided by USAA Federal Savings Bank.

Health Insurance Solutions provided through USAA Life General Agency (LGA) known in CA and NY as USAA Health and Life Insurance Agency,

working with select insurance companies to provide products to our members. LGA receives compensation from these companies, based on the total quantity and quality of insurance coverage purchased. Plans are not available in all states. Coverage is underwritten by the respective insurance company. Each company has sole financial responsibility for its products.

Life insurance and annuities provided by USAA Life Insurance Company, San Antonio, TX and in New York by USAA Life Insurance Company of New York, Highland Falls, NY. All insurance products are subject to state availability, issue limitations and contractual terms and conditions. Each company has sole financial responsibility for its own products.

An annuity is a long-term insurance contract issued by an insurance company designed to provide a retirement income stream for life. Once the contract principal is converted into an income stream, you will no longer have access to your principal as a lump sum. Terms, conditions, limitations and surrender charges may apply.

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