



Funding Statement

Regulation 5(2)(h)

Document 4.2

On behalf of
Oxfordshire Railfreight Limited

March 2026

**THE OXFORDSHIRE STRATEGIC RAIL FREIGHT INTERCHANGE
AND HIGHWAYS ORDER 202X**

FUNDING STATEMENT

Document 4.2

MARCH 2026

**Regulation 5(2)(h) Infrastructure Planning (Applications: Prescribed Forms and
Procedure) Regulations 2009 (as amended)**

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1. INTRODUCTION

1.1 This Funding Statement has been prepared on behalf of Oxfordshire Railfreight Limited (“the Applicant”) as part of its application to the Secretary of State pursuant to section 37 of the Planning Act 2008 (“the 2008 Act”) for development consent to authorise the Oxfordshire Strategic Rail Freight Interchange and Highways Order 202X (“the DCO”).

1.2 The DCO would authorise the compulsory acquisition of interests and rights in, on or over land and therefore the application for the DCO is required¹ to include a statement explaining how the implementation of such powers will be funded. This statement has been prepared to address that requirement and should be read alongside other application documents including:

1.2.1 The Statement of Reasons (Document 4.1);

1.2.2 The Land Plans (Document series 2.1); and

1.2.3 The Book of Reference (Document 4.3).

1.3 In preparing this statement, the Applicant has taken account of the guidance published by the (then named) Department for Communities and Local Government: “*Planning Act 2008: guidance related to procedures for the compulsory acquisition of land*”². Paragraphs 17 and 18 of that guidance deal with the resource implications of both acquisition powers and the implementation of the project. They state:

“17. Any application for a consent order authorising compulsory acquisition must be accompanied by a statement explaining how it will be funded. This statement should provide as much information as possible about the resource implications of both acquiring the land and implementing the project for which the land is required. It may be that the project is not intended to be independently financially viable, or that the details cannot be finalised until there is certainty about the assembly of the necessary land. In such instances, the applicant should provide an indication of how any potential shortfalls are intended to be met. This should include the degree to which other bodies (public or private sector) have agreed to make financial contributions or to underwrite the scheme, and on what basis such contributions or underwriting is to be made.

18. The timing of the availability of the funding is also likely to be a relevant factor. Regulation 3(2) of the Infrastructure Planning (Miscellaneous Prescribed Provisions) Regulations 2010 allows for five years within which any notice to treat must be served, beginning on the date on which the order granting development consent is made, though the Secretary of State does have the discretion to make a different provision in an order granting development consent. Applicants should be able to demonstrate that adequate funding is likely to be available to enable the compulsory acquisition within the statutory period following the order being made, and that the resource implications of a possible acquisition resulting from a blight notice have been taken account of.”

1.4 This statement therefore explains how the compulsory acquisition sought in the DCO will be funded and the ways in which the development itself may be funded.

¹ By virtue of Regulation 5(2)(h) of the Infrastructure Planning (Applications: Prescribed Forms and Procedure) Regulations 2009 (as amended).

² September 2013.

2. THE APPLICANT

- 2.1 The Applicant is Oxfordshire Railfreight Limited, a special purpose vehicle set up to promote and develop the proposed development.
- 2.2 The relevant group structure chart is set out in **Appendix 1**.
- 2.3 If approved the development will be delivered by Mountpark Properties Limited ("**Mountpark**") – a leading developer with a proven track record in delivering high quality logistics developments across the UK/Ireland and Europe. Since 2014, Mountpark has undertaken over 1,785,000 sq.m (19.2 million square ft) of logistics development across Europe. It currently has over 890 thousand sq.m. (c.10 million square feet) of consented land for development across Europe.
- 2.4 The ultimate parent company of the Applicant, Oxfordshire Railfreight Limited, is US Raven II LP ("**Fund**"). Since 2019, the Fund has invested significant amounts of capital in the Applicant to pursue the proposed development.
- 2.5 The Fund is 97.5% ultimately owned by United Services Automobile Association ("**USAA**").
- 2.6 USAA is a Texas based integrated financial services company founded in 1922. With over 13 million members, USAA offers banking, insurance, investment, and retirement products. Financially, USAA reported annual revenues of \$48.56 billion in 2024. It holds assets of \$221 billion as of December 2024. USAA financial ratings are A++ from A.M. Best, AA from Moody's, and AA+ from S&P Global Ratings. Its annual report is included at **Appendix 2**. The 2025 report is due to be published in April 2026.
- 2.7 Raven II GP LLC is the sole general partner of the Fund and is owned fully by Affinius Capital Advisors LLC ("**Affinius Capital**"). Affinius Capital is a privately held investment management firm headquartered in San Antonio, Texas, with a presence in Europe through its London and Amsterdam based offices. Mountpark is wholly owned by Affinius Capital Europe and serves as the group's dedicated European industrial and logistics development and asset management platform.
- 2.8 Affinius Capital (previously known as USAA Real Estate) was founded in 1982 and was originally the real estate investment arm of USAA; however, the firm has evolved through strategic partnerships and acquisitions. Affinius Capital specialises in real estate investment, development, and lending, across sectors including logistics, data centres, and rental housing. Affinius Capital and its affiliates have an extensive track record in the delivery, acquisition, and financing of industrial and logistics assets globally. Since 2010, the platform has delivered approximately 112 million square feet of North American industrial development, representing around \$13.5 billion of project costs. Across development, acquisitions, and lending activities, the platform has executed approximately 287 million square feet across more than 460 transactions worldwide, spanning the U.S., Europe, and Mexico.
- 2.9 The platform has demonstrated long-standing experience in large-scale, complex logistics developments, including build-to-suit projects for global occupiers and the delivery of modern, high-specification logistics facilities.

- 2.10 As of Q3 2025, the firm manages approximately \$61 billion of Gross Assets Under Management and \$31 billion of Net Assets Under Management, with offices across North America, Europe, and APAC and a global team of more than 300 professionals.
- 2.11 Affinius Capital and Mountpark are experienced, well-capitalised, and institutionally governed sponsors, with a proven ability to deliver large-scale logistics developments responsibly and efficiently. The platform's depth of experience, organisational scale, and established European presence support its capability to deliver complex projects in line with planning, technical, and operational requirements.

3. THE PROPOSED DEVELOPMENT

- 3.1 The proposed development comprises, in summary, the following:
- 3.1.1 A rail freight terminal served via new connections to the Chiltern Main Line Railway (part of the Strategic Rail Freight Network), including container storage.
 - 3.1.2 Works within the landfill area adjacent to the Chiltern Main Line Railway to allow a rail connection into the Main Site.
 - 3.1.3 Works to the Ardley tunnel to provide W8 gauge through the tunnel.
 - 3.1.4 Up to 603,850 sq.m. (approx. 6.5 million square feet) of distribution and logistics (use class B8) floorspace, including ancillary office accommodation, plus up to 201,283 sq.m. of additional floorspace in the form of mezzanines.
 - 3.1.5 Demolition of existing structures and new earthworks to create development plateau to accommodate distribution buildings and associated yard and parking areas, drainage attenuation features, and extensive perimeter earthworks bunding which will form part of the screening (landscape and visual mitigation) of the proposed development;
 - 3.1.6 Improvements to Junction 10 of the M40 involving works on the A43 east of the M40, new slip roads to and from the M40, and including an Ardley Bypass to the east of Ardley which will also form a new site access road to the Main Site.
 - 3.1.7 A Heyford Park Link Road which runs from Upper Heyford Road south-east of Heyford Park and south of the proposed development to a new junction on the B430.
 - 3.1.8 A Middleton Stoney Relief Road around the north-eastern side of the village connecting from a new junction on the B430 to the existing B4030 which links over the M40 to Bicester.
 - 3.1.9 The principal access to the Main Site will be from the new Ardley bypass and from a new roundabout on the B430 in the north-eastern corner of the Main Site, south of the railway line. This primary access will serve all HGV traffic accessing the site. Secondary access into the Main Site for bus, pedestrian and cycles will be via the re-aligned Upper Heyford Road at the southern end of the Main Site.
 - 3.1.10 Highway works to be carried out in connection with the improvement of J9 of the M40 motorway.

- 3.1.11 Additional off-site highway works to be carried out at the junction of Upper Heyford Road and Chilgrove Drive, Middleton Road, the B430 west of the Main Site, Quarry Cottages, Middleton Stoney Crossroads and Aves Ditch and including potential improvements to the B4030/A4095/Vendee Drive/Middleton Stoney Road roundabout (the latter being proposed to be delivered through financial contribution subject to agreement with Oxfordshire County Council on the amount of the contribution).
 - 3.1.12 Measures to enable and encourage sustainable travel, including improvements and new links to existing Public Rights of Way, and provision of new foot and cycle links to and within the site, as well as connections to enable bus provision to serve the Main Site via the secondary access to the site from the Heyford Park Link Road.
 - 3.1.13 Retention of the Grade II listed Threshing Barn at Ashgrove Farm as part of a 'hub' of shared and communal facilities for employees and other users of the Main Site, as well as the retention of the Ashgrove Cottages for rail and estate management related activities.
 - 3.1.14 Retained key landscape features and new landscaping and planting, including on the proposed earthwork bunds within the Main Site, as part of a comprehensive landscaping and green infrastructure scheme across all elements of the proposed development, including habitat creation to deliver a net gain in biodiversity.
 - 3.1.15 Associated infrastructure and engineering works including surface and foul drainage, and utilities, including a foul drainage outfall.
- 3.2 Further detail on the description of the development can be found in Chapter 2 of the Environmental Statement (Document series 6) and Schedule 1 of the draft DCO (Document 3.1).

4. PROPOSED ACQUISITION

- 4.1 As explained in the Statement of Reasons, and as is evident from the Book of Reference and the Land Plans, the majority of land required for the proposed development is under the control of the Applicant through voluntary option agreements with the landowners.
- 4.2 The Applicant has sought to progress voluntary agreements to acquire the required land or interests where possible and it is continuing to engage with the relevant landowners and affected parties to further acquire by voluntary arrangement the necessary interests for the development.
- 4.3 The powers sought by the DCO are therefore limited to:
 - 4.3.1 Land and interests which have not yet been acquired by voluntary agreement;
 - 4.3.2 Land which is unregistered and the ownership is unknown;
 - 4.3.3 The acquisition or extinguishment of third-party interests in land where agreement has been reached in respect of the freehold but where such interest might be inconsistent with the authorised development (such as easements and other rights or restrictions); and

- 4.3.4 Temporary possession powers for the purposes of carrying out or maintaining the authorised development.
- 4.4 The Statement of Reasons explains the powers sought in further detail.
- 5. FUNDING OF COMPULSORY ACQUISITION**
- 5.1 The Applicant has taken professional advice from expert valuers, Ardent, in relation to the estimated compensation liability that could arise from the exercise of the powers sought by the DCO in connection with the delivery of the development.
- 5.2 The Applicant's total estimated cost of acquiring the interests sought as described above and in the Statement of Reasons are estimated to be in the region of £17.5 million.
- 5.3 This estimate is based on Ardent's and the Applicant's experience in coming to voluntary arrangements with landowners, knowledge of market values in the region and on already accepted offers in respect of the proposed development.
- 5.4 This estimate includes compensation for the value of the land, rights and restrictive covenants which necessitate acquisition; compensation for severance and injurious affection pursuant to section 7 of the Compulsory Purchase Act 1965 ("the 1965 Act"); potential claims under Part 1 of the Land Compensation Act 1973; claims for injurious affection under section 10 of the 1965 Act; and statutory blight. Provision has also been made for losses arising from the exercise of temporary possession powers.
- 5.5 There are no businesses which are being extinguished as part of the proposed compulsory acquisition powers and therefore no extinguishment costs have been factored into this value. The existing In Vessel Composting Facility located on the site will cease to operate in 2030 pursuant to the existing lease arrangements and it will be permitted to operate uninterrupted until that date whilst the proposed development commences on other parts of the site.
- 5.6 The Applicant's assessment of compensation payable has been undertaken in accordance with the body of statute and case law known as the "Compensation Code". The compensation payable for the compulsory acquisition of land, new rights and imposition of restrictive covenants therefore includes the estimated compensation for the acquisition of the land or rights/restrictive covenants over land, crop loss and disturbance compensation, tax (where applicable), professional fees and statutory interest.
- 5.7 The Applicant has also included a 10% contingency sum as part of its compensation estimate.
- 5.8 In the event of it being necessary to exercise compulsory acquisition powers, the compensation payable would be funded by the Applicant from any commitments made by USAA, the Fund or any other funds managed or which may be established and managed by Affinius Capital for the purpose of completing on any of the Applicant's undertakings or by way of debt raised for such purposes.
- 5.9 The remainder of the land acquisition and any claims for blight that may be submitted is also expected to be funded by the Applicant as explained in paragraph 5.8 above.
- 5.10 The Applicant has included an article in its draft DCO (article 41) which ensures that no compulsory acquisition can be pursued until appropriate security for the liability to pay compensation in respect of that acquisition has been provided. This provides additional

protection in respect of interests being acquired and has become relatively commonplace in DCOs.

5.11 The article states:

Guarantees in respect of payment of compensation

41—(1) *The undertaker must not exercise the powers conferred by the provisions referred to in paragraph (2) in relation to any land unless it has first put in place—*

- (a) a guarantee approved by the local planning authority in respect of the liabilities of the undertaker to pay compensation under this Order in respect of the exercise of the relevant power in relation to that land; or*
- (b) an alternative form of security for that purpose approved by the local planning authority.*

(2) *The provisions are—*

- (a) article 26 (compulsory acquisition of land);*
- (b) article 28 (compulsory acquisition of land - incorporation of the mineral code);*
- (c) article 29 (compulsory acquisition of rights and imposition of restrictive covenants);*
- (d) article 30 (private rights);*
- (e) article 32 (rights under or over streets);*
- (f) article 35 (temporary use of land for carrying out authorised development);*
- (g) article 36 (temporary use of land for maintaining authorised development); and*
- (h) article 37 (statutory undertakers).*

(3) *A guarantee or alternative form of security given in respect of any liability of the undertaker to pay compensation under this Order must be treated as enforceable against the guarantor or person providing the alternative form of security by any person to whom such compensation is payable and must be in such a form as to be capable of enforcement by such a person.*

(4) *Nothing in this article requires a guarantee or alternative form of security to be in place for more than 15 years after the date on which the relevant power is exercised.*

(5) *An approval required under paragraph (1) must not be unreasonably withheld or delayed.*

6. FUNDING THE DEVELOPMENT

6.1 The Applicant's current cost estimate for the proposed development is approximately £950 million. This includes construction costs, development costs, project management costs, financing costs and land assembly costs.

6.2 The Applicant will fund the development through development funding mechanisms utilised in commercial projects of this nature. This could include equity funding by USAA or the Fund; by other funds managed by Affinius Capital; joint venture partners; by way of debt or debt like funding; through the involvement of third-party capital raised on listed or unlisted equity or debt capital markets; and/or other business models yet to be determined by the Applicant.

6.3 As is clear from the information detailed in section 2 above, the Applicant, as a subsidiary of the Fund and with Affinius Capital, has more than adequate funds and

resources available to it to fund and deliver the Proposed Development including land acquisition and any compensation which might be payable.

- 6.4 Owing to the substantial financial resources available to the Applicant, and the proven track record of delivering large scale logistics development for the world's leading companies, the Applicant is confident that sufficient funding will be in place for the Development throughout the period during which the compulsory acquisition powers under the DCO may be exercised, once the Order is made.

7. BLIGHT

- 7.1 Blight is a term used to describe a scenario where property values or economic activity in an area reduce as a result of expected or potential future development. Blight notices may be served by those with a relevant interest in the land affected on the entity responsible for the planned development. No blight notices have currently been served in respect of the proposed development. In the event any claims for blight arise the cost of meeting any valid claim will be met by the Applicant.

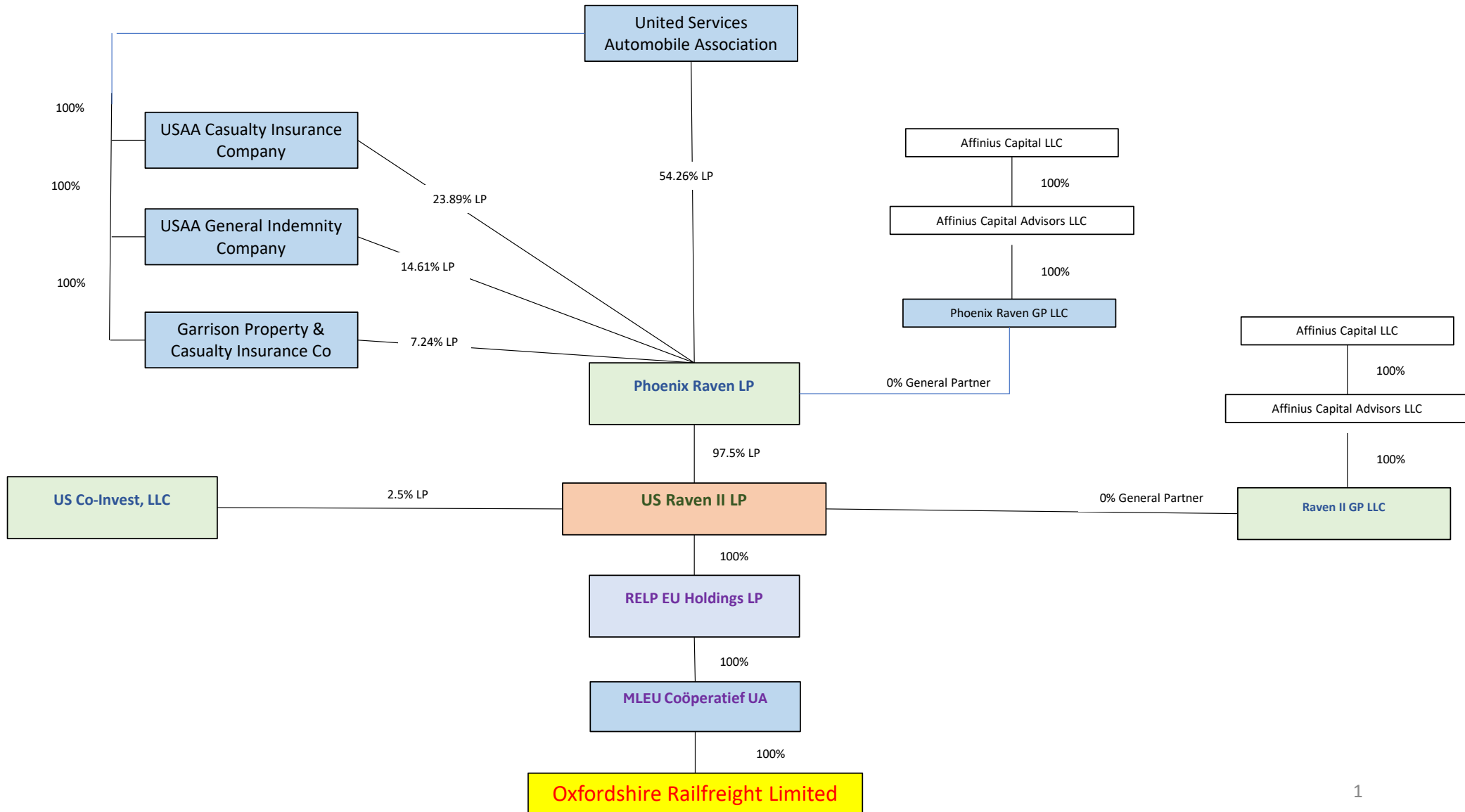
8. CONCLUSIONS

- 8.1 This Funding Statement demonstrates that the compensation arising from the exercise of compulsory acquisition powers pursuant to the DCO, in the event of the DCO being made, will be met, including any valid claims for statutory blight; and demonstrates that the necessary funding for the delivery of the Development will be secured.
- 8.2 Accordingly, were the Secretary of State to make the DCO and thereby authorise the exercise of compulsory acquisition powers by the Applicant, the Development is likely to be undertaken and sourcing and securing the necessary funding will not impede project delivery.

APPENDIX 1

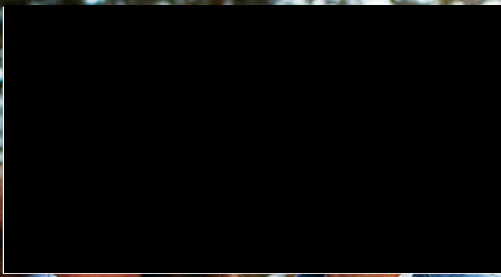
COMPANY GROUP STRUCTURE

Oxford Railfreight Structure Chart 2026



APPENDIX 2

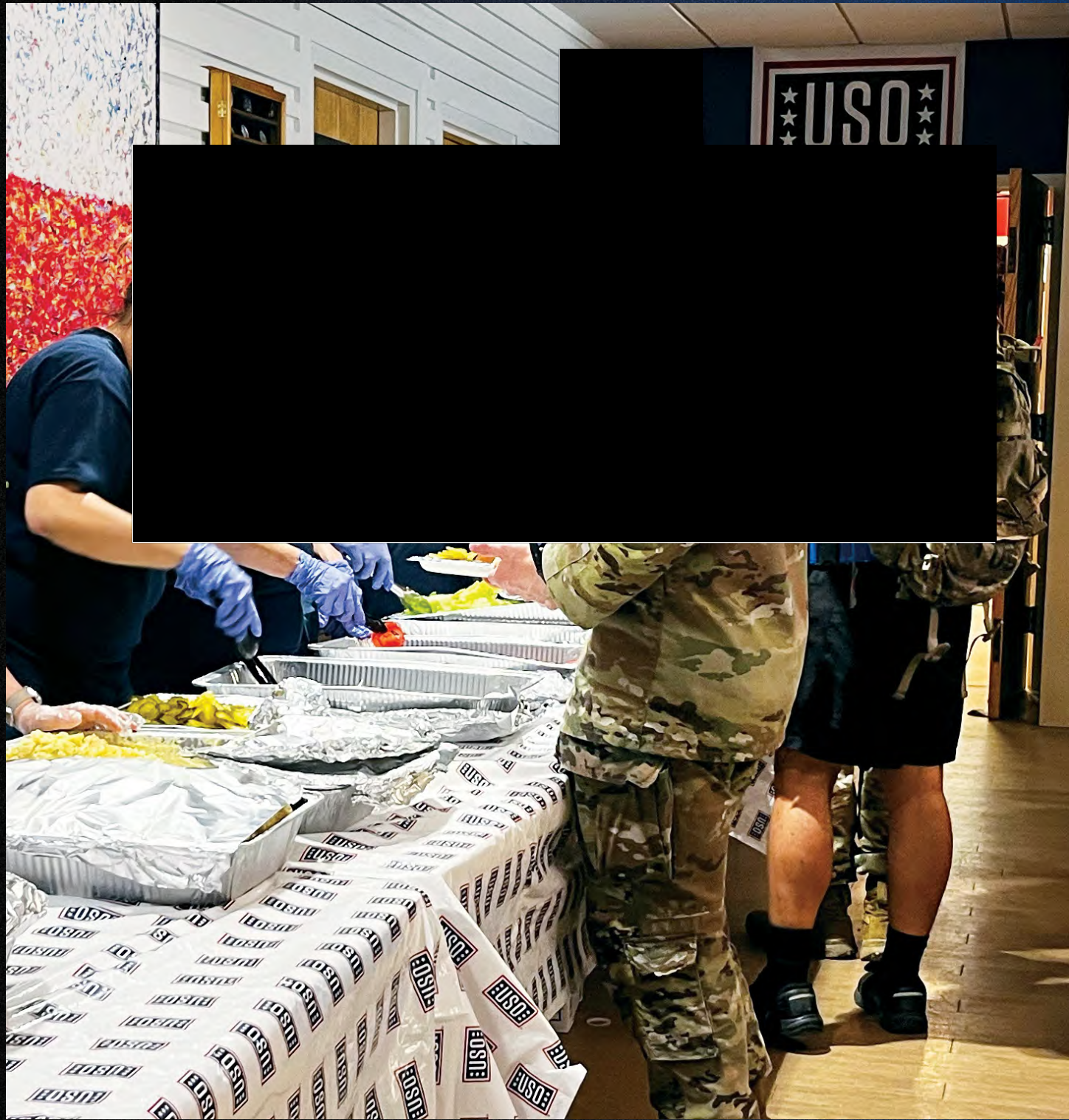
ANNUAL REPORT TO MEMBERS 2024



**ANNUAL
REPORT
TO
MEMBERS**



2024



SERVING THOSE WHO SERVED.

It's not just what we do,
it's who we are.

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ON THE COVER

Former Navy Lt. Cmdr. Ken Peterson and his wife, Kristina, both USAA members, lost their home in the Palisades Fire that devastated parts of Southern California in January 2025. As USAA members for more than 50 years, the Petersons knew that USAA would have their back. Their claim was paid in just four days, driven by advanced technology and a streamlined claims process.

A MESSAGE FROM OUR CHAIRMAN

FOR OVER A CENTURY, USAA has been a source of strength for its members. I've always been proud of how the association has fulfilled the mission and shown up for members and 2024 was no exception.

Alongside the Board of Directors, my primary focus is ensuring USAA maintains the highest standard of member service, and the financial strength to deliver on its promises. USAA did just that in 2024, even amid changing member needs, an uncertain economic environment and rising costs. To build on that success and ensure USAA can serve in the years to come, USAA will continue to find ways to operate more efficiently, improve competitiveness and enhance the value of membership.

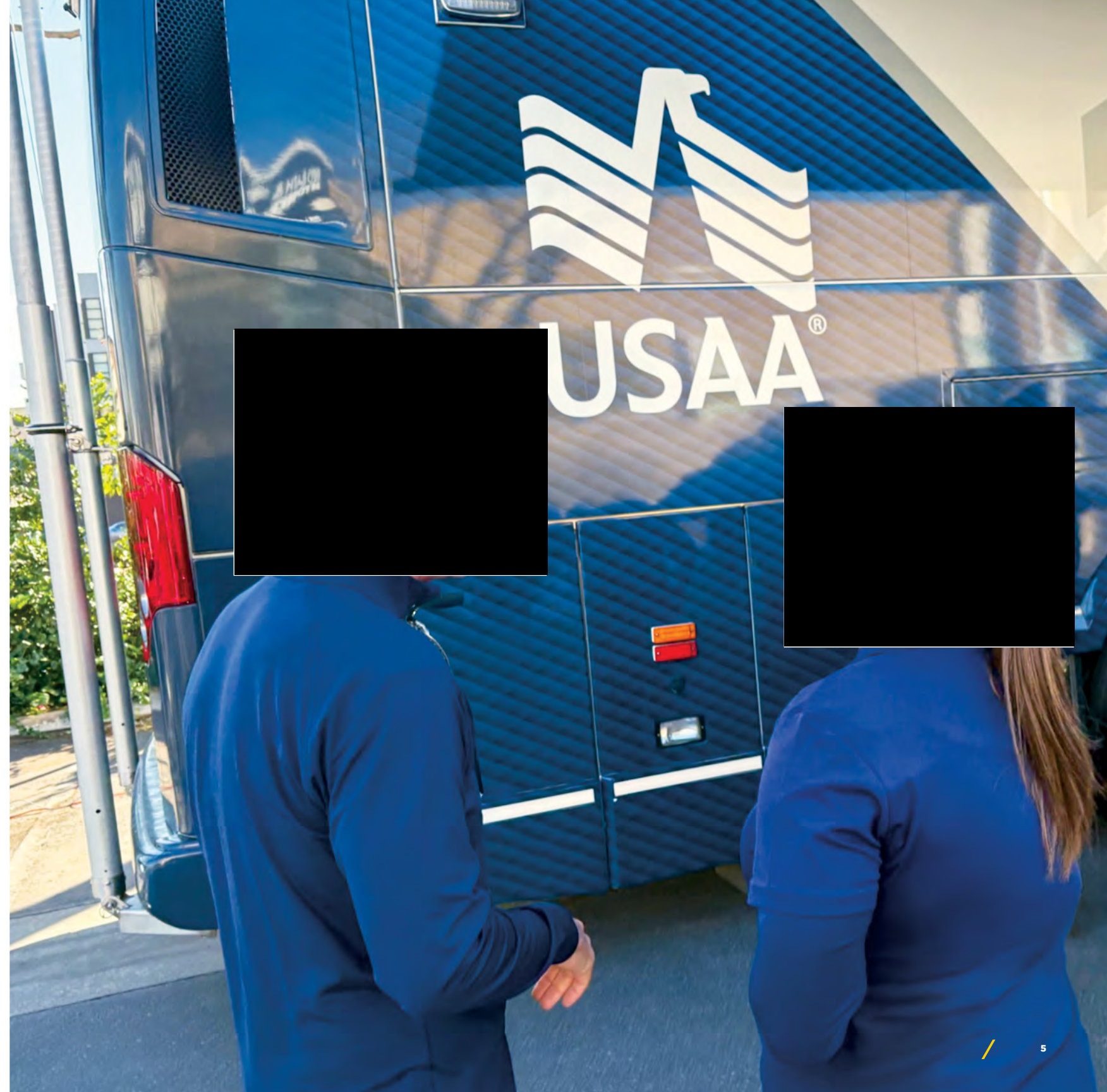
Delivering on the mission also means evolving to meet members' needs. One of the most significant enhancements the association made in 2024 was a bylaw change, approved by voting members that enables all of USAA's military members to have ownership and voting rights within the association, based on certain requirements. This ensures they have a share in the association's success and a voice in its future, and marks the next step in a journey USAA began in 1996 — to honor all who have worn the uniform through ownership and voting rights. As a Navy veteran with 34 years of service, I am proud to see how USAA continues to serve those who serve through changing times and the evolving needs of new generations.

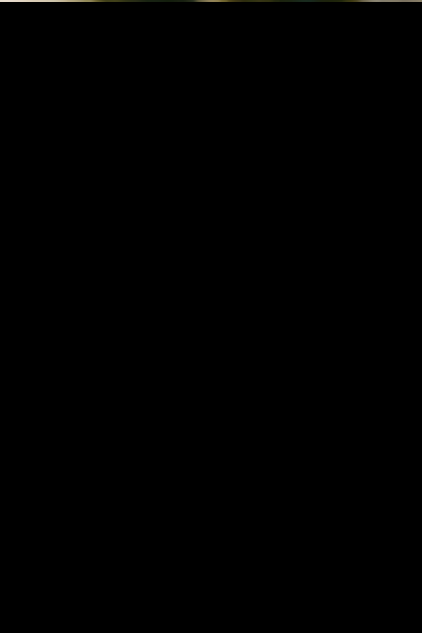
Having the right CEO in place is critical, and selecting the leader who will carry forward USAA's legacy is the Board's most important decision. On April 2, we bid fair winds and following seas to Wayne Peacock and welcomed Juan C. Andrade as the 12th CEO. Wayne led USAA with a passion for our mission, members and teammates, and I'm grateful for his 36-year career and his leadership as CEO for the past five years. Juan brings a deep appreciation for the military community, having worked alongside service members of all branches during his time in national security with the U.S. Government. As a very successful CEO in financial services and with four years on USAA's Board of Directors, Juan understands the complexities of USAA's business, the importance of exceptional service and the weight of the responsibility to protect members and the association. I am confident in his leadership and in his commitment to taking care of our nation's military families.

Thank you for your service and for trusting USAA with your family's financial well-being.

“As a Navy veteran with 34 years of service, I am proud to see how USAA continues to serve those who serve through changing times and evolving needs of new generations.”

VICE ADMIRAL, USN (RET.)
CHAIRMAN, USAA BOARD OF DIRECTORS





JUAN C. ANDRADE

WAYNE PEACOCK

A MESSAGE FROM WAYNE PEACOCK, FORMER PRESIDENT AND CEO

USAA HAS THE HONOR OF SERVING military families, and we take that responsibility as seriously today as we did a century ago when 25 Army officers began the experiment that has become our great association.

In 2024, more than 1 million new members joined USAA and 96% of existing members stayed with us, a powerful testament to the enduring bond between our association and the military community. Today, nearly 80% of our members trust us to meet multiple financial needs. That's mission fulfillment for our members, and for our 38,000 teammates who are committed to empowering you to build long-term financial security by providing exceptional service, trusted advice and the products you need. I am incredibly proud of Team USAA and the way every teammate brings their passion and talent to our mission every day.

Delivering for you requires a dedication to operational excellence, as well as maintaining the financial strength to meet our commitments. USAA continued to stand tall for members in 2024, especially on members' toughest days. We responded to 74 catastrophes, handled nearly 439,000 catastrophe-related claims with empathy and care, and paid \$4.3 billion to help members restore their lives. We enhanced our service quality and introduced new product offerings. We continue investing in our people, technology and operational efficiency as we work to ensure our insurance and banking products are competitive, affordable and available, and your membership is highly valued.

Because of your loyalty, our association strengthened our profits and remained resilient. We further solidified our balance sheet, ensuring we can withstand external pressures and ongoing uncertainty without missing a beat. And, as members, you share in the association's success. We returned \$2.2 billion to you through distributions, dividends, and bank rebates and rewards. That's not just a number; it's a reflection of our commitment to operate in alignment with our values and share our collective success.

It's been an honor to lead this association and serve our nation's finest. Juan Andrade brings profound respect for our mission and an unwavering dedication to serving you with excellence. I have great confidence in his leadership and the future of USAA.

Thank you for your trust, your loyalty and the honor of serving you over the last 36 years. You inspire me, and all of Team USAA every day.

WAYNE PEACOCK
FORMER PRESIDENT AND
CHIEF EXECUTIVE OFFICER,
FEBRUARY 2020-APRIL 2025

A MESSAGE FROM JUAN C. ANDRADE, OUR NEW PRESIDENT AND CEO

IT IS MY HONOR TO SERVE you and lead our association as the 12th CEO. From my early days in public service in national security roles, working alongside our service members, I have great respect for the military community that has defended our democracy, values and way of life. I have long admired USAA's mission, legacy of service and ability to mobilize passionate teammates to serve you with excellence. My commitment is to build on these strengths and continue to enhance USAA's legacy.

My focus is clear: Do what is best for you and the association. We will stay relentlessly focused on providing you with exceptional service, and we will continue building an internal culture that focuses on integrity, purpose and innovation. I firmly believe that when our teammates thrive, our members will, too. We will channel our teammates' passion for the mission into improving our ability to understand your individual needs and goals, and help meet them by enhancing the trusted advice and competitive products we provide. With our strong balance sheet, we will fulfill our commitments to each member, while continuing our investments in innovative technologies that enable us to serve you better and faster. And, like we have for the 102 years since our founding, we will serve beyond products and advice. We will advocate for members on the issues that matter most, including being a champion for veteran and military-spouse employment, whether at USAA or elsewhere, as well as education and mental and financial health for those who have served.

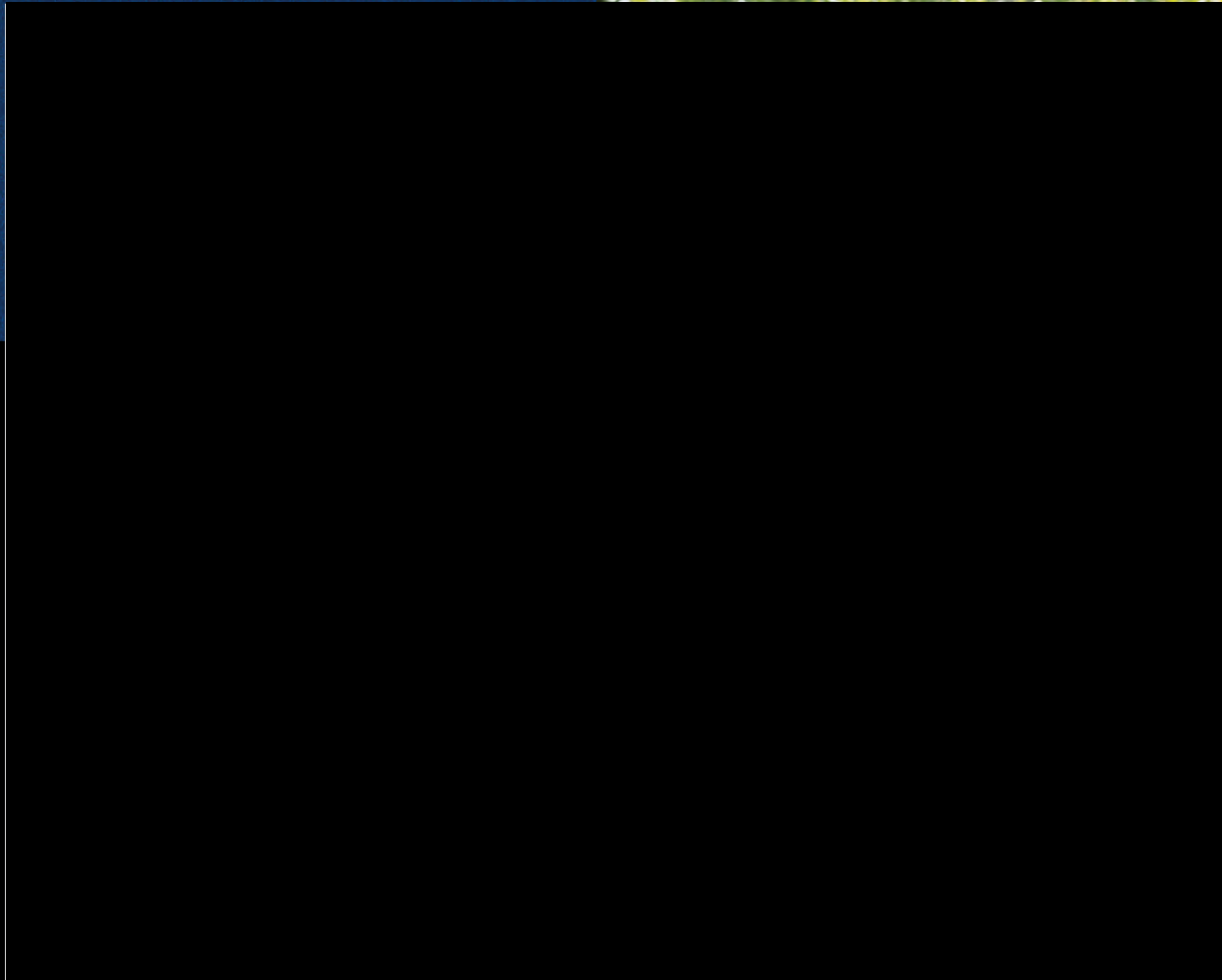
Our association stands tall for members, both in life's everyday moments and on the darkest of days. When you need us, we respond with the full power of Team USAA. And we are working every day to innovate, evolve and adapt to serve you better. Our history provides much to be proud of, but when it comes to serving you, we will be proud but never satisfied. We will continue to strive for service excellence, every day and with every interaction. It is my hope that you are not only proud to be a member, but are proud to pass your membership on to those you love, so we can continue taking care of future generations of military families.

Thank you for your continued trust in USAA. The future of our association is bright.

JUAN C. ANDRADE
PRESIDENT AND
CHIEF EXECUTIVE OFFICER

Caring for Members

USAA is here for you every day through every milestone and all of life's ups and downs. We stand tall for members, whether it's helping you pick up the pieces after a natural disaster or having zero-interest loans ready for a potential government shutdown.



WHEN DISASTER STRIKES, WE RESPOND.

Longtime member Ken Peterson learned when your home is lost, hope is not.

“THIS IS A FINANCIALLY AND EMOTIONALLY distressing time for our family, and Josh relieved some of the stress,” said retiree and former Navy Lt. Cmdr. Ken Peterson. Referring to his USAA adjuster, “He was extraordinarily responsive and got us everything as quickly as possible.”

Peterson and his family were on a family vacation, watching news coverage of 70-80 mph wind gusts that fanned the Palisades Fire in California — acting like a blowtorch on a community they had called home for 33 years.

He knew that despite taking precautions available through USAA’s [Natural Disaster Center](#) and [Wildfire Response Program](#), their Malibu home was gone, along with irreplaceable mementos of family life and his Naval service.

He also knew from various claims in his 52 years of membership that USAA would have his back.

“You don’t just buy insurance based on the price of the premium. You buy it for the company’s service. I just want to know my company is going to be there when I need them,” Peterson said. “USAA has always come through for me.”

The Petersons are among thousands impacted by natural disasters every year. The California wildfires of January 2025 could be the costliest in U.S. history. And 2024 ranked second highest in U.S. history for the number of billion-dollar disasters, according to the National Centers for Environmental Information.

USAA is there when the unthinkable happens because service is at the forefront of all that we do. Firefighters contracted through USAA’s Wildfire Response Program for the California wildfires helped save member homes and mitigate fire risk through proactive measures. And when the

Petersons lost their home, USAA property general adjuster Josh Verner was there providing care and comfort.

“I want members to know we care because it makes all the difference in the world,” Verner said. “I don’t feel like I’m working most days. I’m helping people turn their lives around.”

Thanks to technology and service enhancements, Verner settled the Petersons’s home claim and issued payment in just four days, part of an estimated \$1.8 billion paid to members impacted by the California wildfires. With more frequent natural disasters causing more damage in areas like California, USAA remains committed to helping members stay protected and caring for them when they need us most.

The quick settlement provided Peterson with peace of mind, but he also walked away with lessons learned — not just regularly reviewing his policy but also ensuring the coverage reflects current construction pricing. USAA insurance representatives help members get the best coverage at the best value, taking into account current market conditions and their specific needs.

WHAT YOU CAN DO:

[Call or follow our tips to review your policy for the right coverage and best discounts during your renewal period or if you make major changes to your property.](#)

KEY TAKEAWAYS

\$4.3B

SERVING MEMBERS

USAA responded to 74 catastrophes, handling nearly 439,000 catastrophe-related claims while paying \$4.3 billion in 2024 to help members restore their lives. Firefighters contracted through USAA’s Wildfire Response Program responded to calls for more than 2,400 member properties in 2024, taking protective action and saving homes.

ONE WEEK

We know great service and speed matter, especially when disaster strikes. USAA is often first on scene after a natural disaster and uses advanced technology to quickly assess damage. With this technology, and a streamlined claims process and real-time workflow data that pinpoints bottlenecks, USAA has reduced how much time it takes to pay catastrophe claims from 14 to seven days — allowing members to pick up the pieces sooner. A large majority of claims are settled within a month.

90%

USAA settled 90% of the 2025 California wildfire claims within a month — and many were settled even earlier thanks to crews on the ground, technology and proactive outreach. Because many areas were leveled by the fires, USAA used aerial imagery and geotargeted data to proactively identify and reach out to impacted members to file and settle claims before the members even knew the extent of damage to their homes.

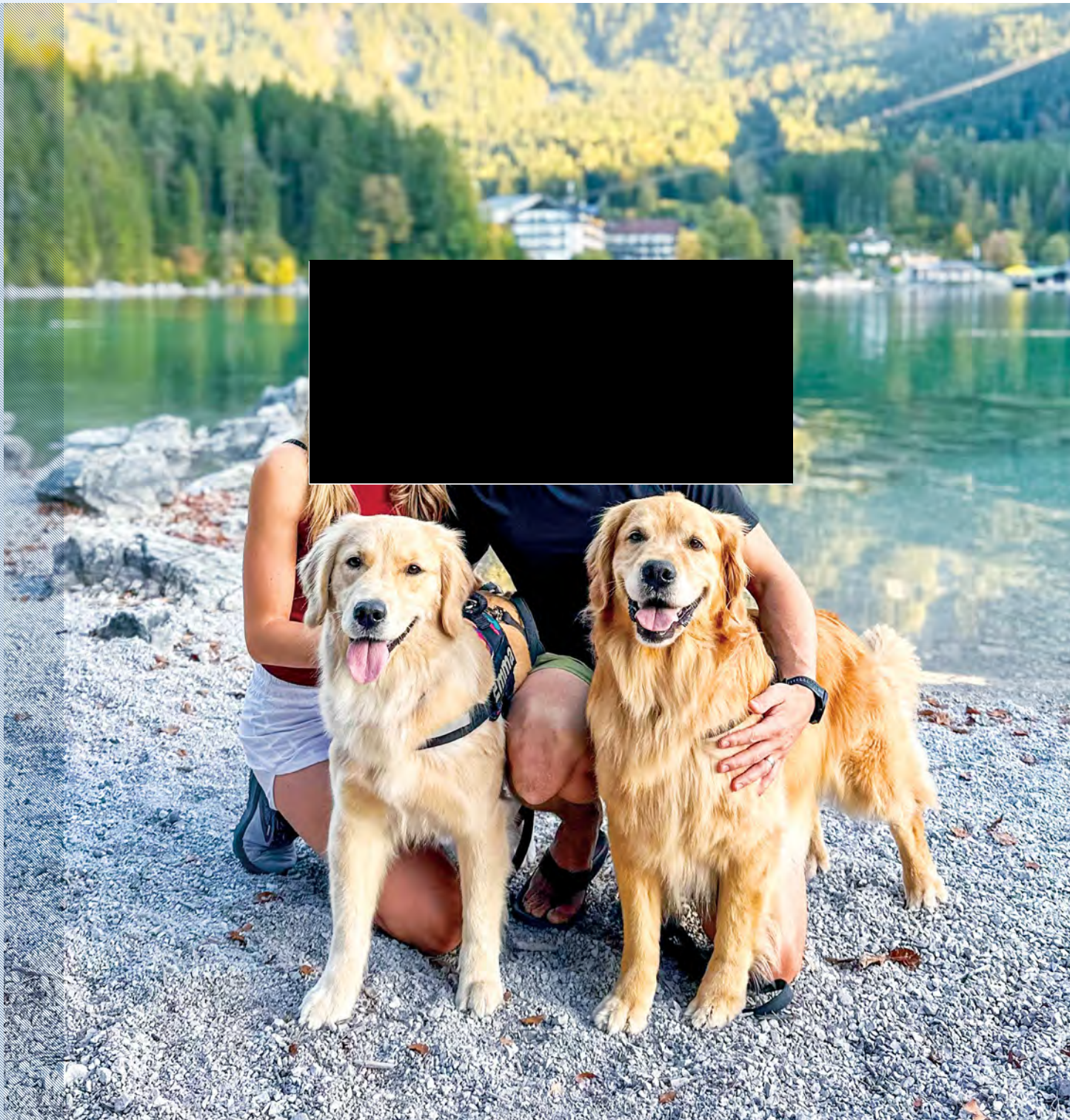


A firefighter works as the Hughes Fire burns on Jan. 22, 2025 in Castaic, California.

The Value of Membership

Being a part of USAA means you're one of nearly 14 million members who understand military life and who together benefit from being part of our association. USAA is here to empower your financial security with advice and products designed to suit the unique needs of the military community and their families — delivered through exceptional service.





YOUR FAMILY IS OUR FAMILY

Membership starts with trusted advice that turns into relationships spanning generations.

“THE FINANCIAL STRESS WAS NOTHING compared to what it would have been if we didn’t have pet insurance,” said Kevin Bubolz, who was a pilot and captain in the U.S. Army. “I didn’t have to think about the money and could focus on taking care of Ellie.”

Bubolz and his wife, Katie, are better known as Ellie and Emma’s parents. The golden retriever therapy dogs are the social media stars of “Golden Retriever Life,” @elligoldenlife, which is part of the couple’s mission to spread smiles through pet therapy.

But Ellie got sick soon after they welcomed their first child in fall 2024. After five days at the vet ER

helped him plan a budget, get life insurance and do much more — leading to a relationship that has grown deeper over the years.

With 14 years of membership, Bubolz and his family now rely on USAA for virtually all of their insurance and banking needs — from auto, renters and pet insurance to bank accounts and credit cards. And USAA has had their back through every milestone, giving them peace of mind during tough times like Ellie’s health scare.

USAA is here to help families like the Bubolzes move through life with confidence and protection. As a financial services company, we offer trusted

“ The financial stress was nothing compared to what it would have been if we didn’t have pet insurance,” said Kevin Bubolz, who was a pilot and captain in the Army. “I didn’t have to think about the money and could focus on taking care of Ellie.” **KEVIN BUBOLZ, ARMY VETERAN**

with Bubolz by her side, dozens of tests and mounting medical expenses, Ellie made a full recovery. And thanks to [pet insurance](#) available through USAA Insurance Agency, the family’s out-of-pocket expense was much lower than it could have been.

Bubolz first turned to USAA Federal Savings Bank as a cadet in the Army when he received a low-interest USAA [Career Starter Loan](#) for new officers that helps them with big purchases while building good credit and habits. Then the advice he received through USAA’s [deployment checklist](#)

advice and a range of insurance and banking services for members’ unique lifestyles.

In 2024, USAA welcomed 1 million new members who established deep ties with us from the start. We also evolved our membership to honor all who have served. Voting members approved a bylaw change that enables all of USAA’s military members to have ownership and voting rights within the association based on certain requirements, so they share in the association’s success and help shape our future.

KEY TAKEAWAYS

10+ YEARS

BUILT TO LAST
More than half of our nearly 14 million members have been with USAA for 10-plus years and a quarter have been with us for 25-plus years.

80%

Members often start with one experience that eventually leads to USAA becoming the one-stop shop for their insurance and banking needs. USAA meets more than one financial need for nearly 80% of our members.

\$2.2B

BACK TO MEMBERS
In 2024, we returned \$2.2 billion through distributions, dividends, and bank rebates and rewards.

Providing Support and Advice

Through personalized guidance, discount incentives, fee reductions and preventative measures, we help members navigate rising costs and stay consumer savvy.



EVERY DOLLAR COUNTS

Through advice and support, Martha Maynard learned how USAA can save her money.

“SHE [THE REPRESENTATIVE] SAVED ME \$2 here and \$6 there, saying, ‘Every penny counts.’” Martha Maynard said about her policy review with a USAA teammate. “She was amazing.”

Maynard earned her membership through her father, who served in the U.S. Navy and was aboard the USS Bataan in the Korean War. After 30-plus years of membership, she knows every time she talks to USAA, she has an advocate. When she called to review her auto and home policies, the representative spent more than an hour reviewing everything to ensure she got the best rates and coverage. She offered tips like taking defensive driving so Maynard could save money on her auto insurance and helped her establish an umbrella policy as an extra layer of protection.

RATE IMPACTS

We know it’s getting harder to make the dollar stretch as prices increase across the board. While insurance is a necessity, the price of protection has been rising due to a number of factors, according to Sean Kevelighan, CEO of the Insurance Information Institute (Triple-I), which monitors insurance trends to educate policymakers, industry and consumers.

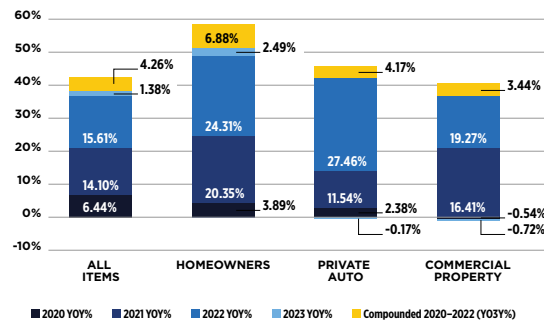
Rising costs in goods and labor, more frequent and severe catastrophes, more people living in high-risk areas, and more claims lawsuits have impacted insurance premiums. Most notably, the industry is still dealing with inflation. According to Triple-I, replacement costs for cars and homes spiked as high as 45% and 59% by 2023, respectively, because of the pandemic and are now at 28% and 30%. The cost of labor also is rising because today’s technology-filled cars require more skilled technicians.

“The insurance industry is having to catch up with inflation because repairs are more expensive. And when repairs are more expensive, premiums are more expensive,” Kevelighan said. “Replacement costs are leveling off, but this is the new normal because costs won’t go down as much as they went up.”

Lawsuits used to be the last resort for settling claims and now they’re often a first step. More plaintiff attorneys are using litigation to dispute claims and settlement amounts are increasing, according to Triple-I. Legal system abuse drives up costs for all policyholders and companies while adding more time to the settlement process.

INFLATION CONTRIBUTING TO WIDESPREAD INCREASED INSURANCE COSTS

CUMULATIVE AUTO AND HOME REPLACEMENT COST INCREASES FROM 2019 TO 2023
ALL P&C COMPANIES AND KEY LINES (YOY% AND YO4Y%)



Replacement costs for all P&C lines increased 42.45% from 2019 to 2023 — even after the recent decreases in U.S. CPI.

CUMULATIVE P&C REPLACEMENT COSTS INCREASES (YO4Y% 2019-23)

- All P&C Lines: 42.5%
- Homeowners: 59%
- Private Auto: 45%
- Commercial Property: 39%



“She [the representative] saved me \$2 here and \$6 there, saying, ‘Every penny counts.’ She was amazing.”

MARTHA MAYNARD



ADDRESSING AFFORDABILITY

TO ADDRESS AFFORDABILITY, USAA is focused on streamlining our operations and modernizing our systems to drive more efficiency. Our financial strength allows us to invest in new products, enhance our service experience and return a portion of earnings to members each year.

USAA also advocates for our membership, from supporting federal legislation that increases military pay to working with policymakers in addressing issues that impact insurance and banking affordability.

Through our trusted advice, we help members make educated decisions and take preventative measures to help you save money and prevent headaches down the road.

To make banking more affordable, USAA Bank has 100,000-plus ATMs¹ throughout the U.S. where members can make surcharge-free cash withdrawals. We offer insurance policy bundling discounts² and discounts for preventative maintenance, good driving³ and even good grades⁴ for student drivers.

Through USAA Perks[®], which celebrated 40 years in 2024, members have access to discounts on everything from travel to shopping. A free service, USAA Perks has saved members more than \$1.2 billion over the past five years. [Check out USAA Perks](#) for savings and discounts.

SAFER DRIVING, MONEY SAVED

Members can save up to 30% on insurance premiums at renewal through USAA SafePilot[®],⁵ our behavior-based program. You also can save up to 20% for lower mileage and an earned driving discount of up to 20% off your premium upon renewal for driving safely through USAA SafePilot Miles[™],⁵ our usage-based program.

More than 1.3 million members are enrolled in SafePilot, which tracks driving habits through the USAA DriveSafe[™]⁵ app and provides safe driving tips. Fewer members are braking harshly or using their phones while driving — signs that members are staying focused on the road — and USAA has seen accidents decrease overall. Across the

industry, reducing distracted driving has helped prevent more than 55,000 crashes and saved close to \$2.2 billion in economic damages, according to data in “The State of US Road Risk in 2024” from Cambridge Mobile Telematics, which provides telematics data for the industry.

WHAT YOU CAN DO: To start saving today, call or [click to enroll in USAA SafePilot](#), which is available in most U.S. locations, or [USAA SafePilot Miles](#), which will be available in most U.S. locations by the end of 2025.

ADVICE TO ACTION

[USAA's Advice Center](#) is a hub for advice-driven resources catering to the military community to help you make informed decisions. There is education and information for every life milestone, from preparing for a PCS move to planning for retirement. The center's advice has prompted thousands of members to take action such as increasing emergency savings and lowering debt.

SUPPORTING YOUR FINANCIAL WELL-BEING

The [USAA Educational Foundation](#)[®] financial readiness materials reached 3.3 million service members and military spouses in 2024 with free advice and resources tailored to the unique needs of military life.

In 2024, the Educational Foundation's launched the [Caregiver Financial Journey](#) in cooperation with the Elizabeth Dole Foundation to help caregivers manage and improve their finances. This initiative builds on the foundation's practical learning guides and resources — and can be a valuable resource for the more than 14 million military caregivers caring for wounded, ill and injured service members and veterans.

AN OUNCE OF PREVENTION

Services like the Connected Home⁶ and PreFix programs combine technology and home maintenance to detect and prevent issues before they cause costly damage or claims for your biggest asset — your home.

KEY TAKEAWAYS

32%

AVOIDING COSTLY REPAIRS

USAA's Connected Home detects water leaks before they become major issues. Participating members experience a 32% reduction in water damage claims stemming from non-weather issues while saving up to 8% on homeowners insurance.⁶ USAA pays more than \$840 million annually for these kinds of water claims, so when members enroll in Connected Home, it saves the association millions in costs — money that is reinvested into your products and pricing.

WHAT YOU CAN DO: [Enroll now in Connected Home.](#)

\$1,500

SAVED ANNUALLY

With a biannual 30-point inspection service and repair discounts, PreFix can save enrolled members an average of \$1,500 annually on maintenance costs and prevent costly damage. While still a pilot, PreFix has the potential to save millions in costly home repairs each year — a benefit for members and the association.

WHAT YOU CAN DO: [Check if you're in an eligible PreFix area.](#)



“I want members to know we care because it makes all the difference in the world. I don’t feel like I’m working most days. I’m helping people turn their lives around.”

JOSH VERNER, USAA PROPERTY GENERAL ADJUSTER

Evolving With Your Needs

Knowing that life moves fast, we make it easier to do business with us by enhancing your experience to focus on speed, convenience and financial resources.



An aerial view of homes that burned in the Eaton Fire on Jan. 21, 2025 in Altadena, California.

LEADING THE WAY

As an industry leader that knows military life, we're enhancing experiences to fit your needs.

INNOVATION POWERS MANY of our member experiences. USAA deploys AI and technology to improve our products and services to members. As part of USAA's preventative measures that include home maintenance programs, we use aerial imagery to ensure members have adequate property insurance coverage, which ensures your assets are covered if there is a claim.

For damages like water pipes bursting, we have streamlined the process to help members get back on their feet quickly. 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. For more complex damage, we rely on our adjusters and trusted contractors who assess and expedite quality repairs.

ENHANCING EXPERIENCES

Serving the unique needs of the military community shapes how USAA uses technology to make life easier for members. Since its launch in 2006, USAA's patented remote deposit capture technology has enabled customers across the banking industry to deposit checks via mobile phones and home scanners. The innovation was born out of a need to help military members deployed abroad deposit checks into their accounts without having to step foot in a bank.

These days, members do most of their interactions with USAA on mobile devices, from checking your accounts to paying bills. We made it easier for you to do more in less time on our mobile app by redesigning the account summary page, resulting in better navigation and faster page load times.

EMPOWERING FINANCIAL SECURITY

USAA's first-ever [Financial Wellbeing Index](#) released in 2024 gave the industry better insights into how our military members save and spend. The bottom line is that members are saving more and carrying less credit card debt.

To help members stay on track and manage their credit, USAA provides credit card holders free access to their credit score details in the new USAA Credit Toolbox™ powered by VantageScore 3.0.⁷ Coupled with USAA's [credit score advice](#), these resources provide tips to maintain good credit and achieve your financial goals.

SUPPORTING THE MILITARY

Many of USAA's products and services are focused on making it easier for military members to focus on *their* mission.

In 2024, USAA launched a program to proactively identify and offer [Servicemembers Civil Relief Act \(SCRA\) benefits](#) to eligible members using data from the U.S. Department of Defense. SCRA's lending-focused benefits include interest rate reductions and fee waivers for military members who are called to active duty to ease financial burdens while they serve.

Knowing many service members may not be aware of SCRA benefits or how to take action,

USAA proactively enrolled about 18,000 eligible service members initially. It meant that some USAA military members received unexpected funds, including one longtime member who received a check for SCRA benefits that he didn't know he was eligible for.

ENHANCING USAA BANK'S CREDIT CARD REWARDS

Earning credit card rewards for what you spend can save you money and bring you more value.⁸ USAA introduced a new Shop with Rewards redemption program in 2024 that allows eligible credit card users to redeem rewards in real time to cover a charge at participating retail locations including Walmart^{®9} and Murphy USA^{®10} gas stations. You also can redeem your earned points or cash back for statement credits, merchandise and more.

MAKING LIFE INSURANCE EASIER TO GET

Approximately half of U.S. adults currently do not have life insurance, according to the 2024 Insurance Barometer Study by LIMRA and Life Happens. But it is one of the best ways to protect your family and ensure their financial future when the unimaginable happens.

To make life insurance more accessible, USAA has made it possible for qualifying members to skip the in-person medical exam and get insurance in minutes versus weeks.¹¹ In 2024, USAA launched USAA Eagle Express, a digital term [life insurance](#) product designed for 18- to 60-year-olds.

KEY TAKEAWAYS

460 PATENTS

With 460 patents issued in 2024, USAA ranks #101 on the Patent 300[®] list of the top 300 global companies and leads the insurance industry.

DESIGNED WITH THE MILITARY IN MIND

Because of the military community USAA serves, Eagle Express and some of our other life insurance products offer [military-specific benefits](#),¹² such as severe injury benefit and the option to get additional coverage equal to Servicemember's Group Life Insurance (SGLI) coverage upon separation without a medical exam.¹³ We also make it easy for deploying members to get coverage fast through our expedited application process, ensuring protection at a critical time.

We've Got Your Back

USAA is there to protect your finances, whether it's fighting fraud or providing financial assistance when the unexpected happens. We move fast to provide protection and relief.

IN YOUR CORNER

We've got your back when the unexpected happens.

"USAA HAD MY BACK," RET. MSGT. RUBEN ALFONSO said. "That's the bottom line of every experience — that I will always be taken care of. And you can't put a price on that."

Alfonso remembers when he became a USAA member for life. It was the day his bank account was fraudulently drained after a PCS move from Tampa to Japan. Living in a hotel and awaiting permanent housing, he was devastated to find his military-issued reimbursement check and personal funds gone.

In just one call and two hours later, USAA Bank restored his money and secured his account, then took care of the investigation and paperwork.

The quick response and care gave him peace of mind. Now, Alfonso is paying it forward. After retiring from a 20-year U.S. Air Force career, he joined USAA as a quantitative risk analyst through the Hiring Our Heroes program, a military-focused U.S. Chamber of Commerce Foundation hiring program. USAA welcomed 50 Hiring Our Heroes fellows in 2024.

Alfonso is focused on providing the same unwavering support he received from USAA to fellow service members. He is among the nearly quarter of USAA employees who are veterans or military spouses. Hiring those who wore the uniform is another way we provide solutions with our members in mind.

COMBATING FRAUD

Working together to protect your accounts means advanced detection on our part and proactive measures on your part.

With dedicated fraud teams and advanced technology, we work around the clock to monitor transactions, detect threats and prevent fraud — protecting members every day. We also enhanced online resources and outreach to help you stay aware and stay protected.

Security is a shared effort, and multifactor authentication (MFA) is the best and easiest way to protect yourself. It requires at least two forms of verification, like a pin, one-time code, fingerprint or face recognition, to access your account whether you call or click.

OFFERING FINANCIAL RELIEF

USAA has a history of stepping up during challenging times. Our [government shutdown program](#) offers zero-interest loans, and we offer special payment assistance programs¹⁴ on USAA products for eligible impacted members. These programs help you meet your financial obligations without added stress.

KEY TAKEAWAYS

92%

Most but not all of our members are enrolled in MFA — a number we'd like to see at 100%. MFA can prevent almost all automated hacking attacks, according to the National Cybersecurity Alliance. And having members protected by MFA saves the association as much as \$16 million a year in account takeover costs — money that is reinvested in your financial protection. Stay protected by entering two forms of verification for your account at [usaa.com/support/security](#).

WHAT YOU CAN DO:

Follow our tips to identify scams at [usaa.com/scams](#).

1. Watch for red flags like texts, calls or emails demanding payment or asking for money.
2. Take your time to review information for anything suspicious before you act.
3. Protect your information by limiting what you share and use MFA for enhanced security.

5B

USAA blocked nearly 5 billion cyberthreats in 2024 and thwarts an average of 400 million cyberthreats a month.

\$34M

USAA has granted \$34 million to military aid societies over the past five years to assist service members and their families with emergency grants in times of unexpected financial crises.



“USAA had my back. That’s the bottom line of every experience — that I will always be taken care of. And you can’t put a price on that.”

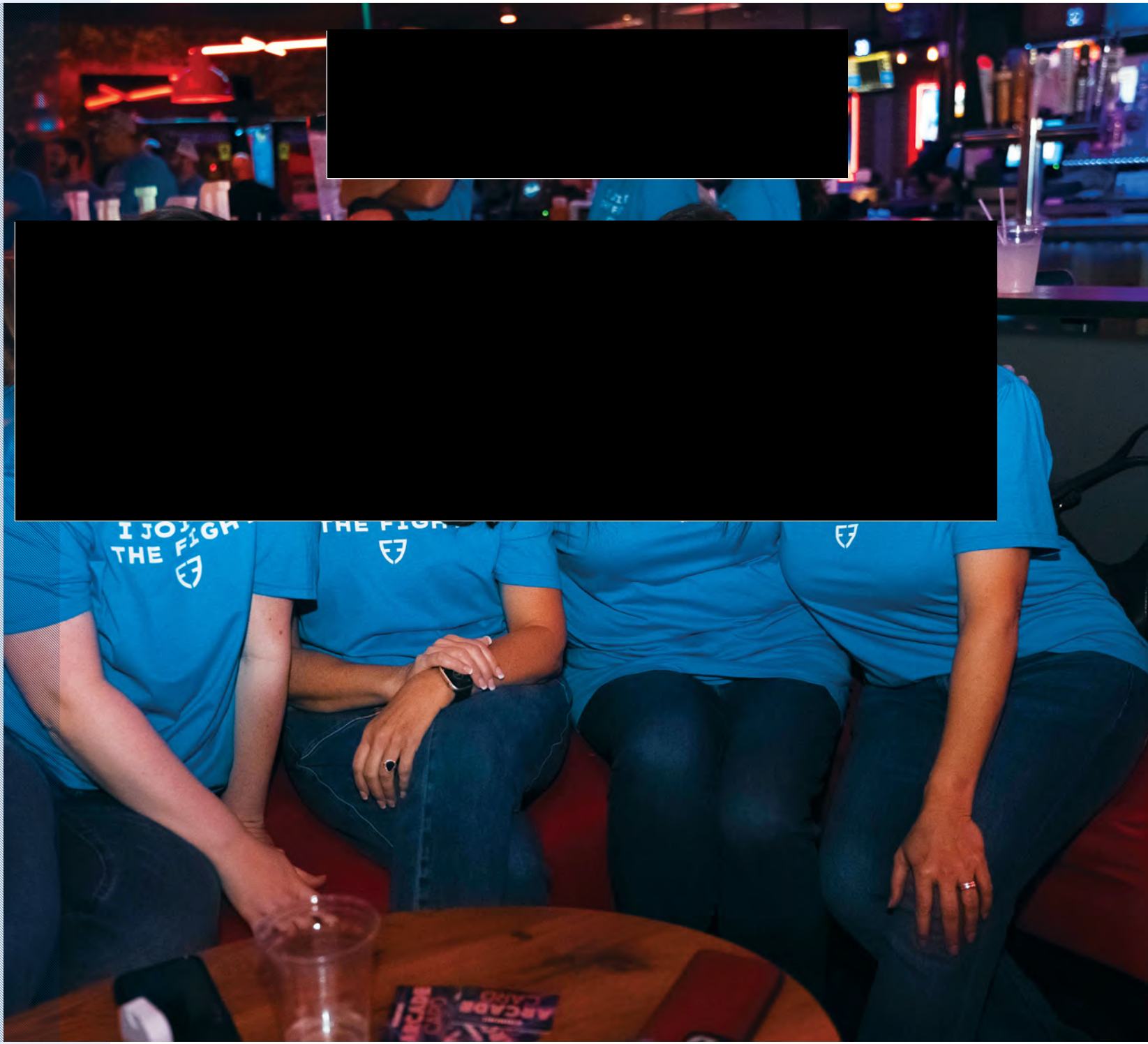
RUBEN ALFONSO, U.S. AIR FORCE VETERAN



Supporting the Military Community

Serving those who serve is a way of life for USAA — and it shows up in our advocacy and community impact. We lead the way in raising awareness about issues that impact the military community and their families, from our fight against veteran suicide to our support for causes that foster financial resiliency.





USAA employees raise funds to benefit Face the Fight.

WE STAND WITH YOU

Our support for the military community extends far beyond our purpose-driven work.

MILITARY RESILIENCY

USAA's mission to empower the financial security of the military community comes alive in our purpose-driven work and passion-filled causes. Through our philanthropic efforts, we support military families who may need a helping hand, as we did for Sgt. Eric Morante.

Morante, who served in the Marines, was injured in combat. It impacted him physically and mentally. "There are times where I'll need help ... and I think, 'Man, I can't believe I'm this vulnerable right now,'" Morante said of his journey.

USAA gifted him with a free refurbished truck through our participation in the National Auto Body Council® Recycled Rides®. We have gifted vehicles to more than 150 service members and veterans in the past few years. The truck is a lifeline to help Morante be more independent and pursue his education and career goals.

TEAM USAA

USAA teammates embrace our mission beyond work by giving their time, talent and treasures to causes that lift up the military community and their families.

In the summer of 2024, nearly 800 USAA teammates and their family members volunteered in The Mission Continues for Operation Military City Salute to support veterans in need. The volunteer event supported 60 projects throughout San Antonio — USAA's home base.

On Giving Tuesday 2024, current and retired employees donated \$1.6 million to causes in their local communities. With USAA's 2-for-1 match, a collective \$4.7 million was committed in a 24-hour period to support those in need.

All told in 2024, USAA, our employees and members gave nearly \$62 million to more than 6,000 nonprofit causes. Employees also logged 279,000 volunteer hours and personally donated \$16.4

million, bolstered by USAA's matching program. This significant contribution underscores our commitment to making a tangible difference in the lives of those we serve.

FACE THE FIGHT® AGAINST VETERAN SUICIDE

As a founding member of [Face the Fight](#)®, USAA joined forces with Reach Resilience and the Humana Foundation two years ago to help prevent veteran suicide and break the stigma around asking for help. The initiative has deployed more than \$25 million in philanthropic support to 52 critical suicide prevention projects and has impacted more than 134,000 lives so far.

WHAT YOU CAN DO: Visit [wefacethefight.org](#) to get help, find resources or join the fight.

ADVOCATING FOR THE MILITARY

Like Face the Fight®, providing support and advocacy around key issues affecting our military community has long been part of USAA's mission. Through our association's collective community impact initiative, we have advocated for policy changes, from enhancing military spouse employment to improving financial support for housing.

Our investment choices also support the military community — including ongoing commitments to Veteran Low Income Housing Tax Credits, with \$80 million allocated to the veteran community.

KEY TAKEAWAYS

SUPPORTING MILITARY FAMILIES

USAA's philanthropic support for the military community addresses issues on multiple fronts, from making childcare more affordable to fighting veteran homelessness. For example, we fund low-or no-cost childcare and afterschool care services for junior enlisted military families at nearly 100 military installations nationwide. To combat food insecurity for currently serving military families, we partnered with Feeding America and contributed more than \$1 million in the past two years. And we help stem the tide of veteran homelessness by providing mitigation and wraparound services for approximately 10,000 veterans in key areas.

HURRICANE RECOVERY SUPPORT

USAA and our members donated nearly \$3 million for Hurricanes Helene and Milton recovery efforts. It helped provide food and shelter to those who had lost their homes and supported cleanup and debris removal in impacted communities.

6,500 LIVES SAVED

Face the Fight's® philanthropic grants are estimated to save 6,500 veteran lives by 2032.

4.5%

USAA advocates for military pay increases knowing that every dollar matters. The 4.5% expected increase this year is an opportunity to use The USAA Educational Foundation's [tips on financial management](#).

Our Year in Review

Despite challenges like historic catastrophes, inflation and industry-wide fraud, we reinforced our financial foundation through disciplined management. USAA remains well-positioned to weather any future challenges.



2024 HIGHLIGHTS

USAA WAS FOUNDED IN 1922, when 25 Army officers agreed to insure each other when no one else would.

The mindset of being in it together has defined our member-focused association, which today includes all who have honorably served and their families.

Our mission is to empower your financial security by providing competitive products and services. This includes trusted advice and resources to save you money on insurance and banking and to help you manage your financial well-being. We focus on operating efficiently and managing our operational costs so that we can invest in delivering the best products at the best value.

Together, we drive the strength of this association.

\$2.2B

BACK TO MEMBERS

In 2024, we returned \$2.2 billion through distributions, dividends, and bank rebates and rewards.

SAFER DRIVING, MONEY SAVED

Members can save up to 30% on insurance premiums at renewal through USAA Safe Pilot[®],⁵ our behavior-based program. You also can save up to 20% for lower mileage and an earned driving discount of up to 20% off your premium upon renewal for driving safely through USAA SafePilot Miles[™],⁵ our usage-based program.

WHAT YOU CAN DO: To start saving today, call or click to enroll in USAA SafePilot, which is available in most U.S. locations, or USAA SafePilot Miles, which will be available in most U.S. locations by the end of 2025.

\$1.2B¹⁵

GET DISCOUNTS AND PERKS

Through USAA Perks[®], which celebrated 40 years in 2024, members have access to discounts on everything from travel to shopping. A free service, USAA Perks has saved members more than \$1.2B¹⁵ over the past five years.

WHAT YOU CAN DO: Visit usaa.com/perks for savings and discounts.

80%

Members often start with one experience that eventually leads to USAA becoming the one-stop shop for their insurance and banking needs. USAA meets more than one financial need for nearly 80% of our members.

32%

AVOIDING COSTLY REPAIRS

USAA's Connected Home detects water leaks before they become major issues. Participating members experience a 32% reduction in water damage claims stemming from non-weather issues while saving up to 8% on homeowners insurance.⁶ USAA pays more than \$840 million annually for these kinds of water claims, so when members enroll in Connected Home, it saves the association millions in costs — money that is reinvested into your products and pricing.

WHAT YOU CAN DO: [Enroll now in Connected Home.](#)

100,000+

To make banking more affordable, we offer one of the largest surcharge-free ATM networks in the U.S., with 100,000-plus ATMs.

92%

Most but not all of our members are enrolled in MFA — a number we'd like to see at 100%. MFA can prevent almost all automated hacking attacks, according to the National Cybersecurity Alliance. And having members protected by MFA saves the association as much as \$16 million a year in account takeover costs — money that is reinvested in your financial protection. Stay protected by entering two forms of verification for your account at usaa.com/support/security.

WHAT YOU CAN DO: Enroll in MFA at usaa.com/support/security and follow our tips to identify and avoid scams at usaa.com/scams.

5B

USAA blocked nearly 5 billion cyberthreats in 2024 and thwarts an average of 400 million cyberthreats a month.

6,500 LIVES SAVED

As a founding member of [Face the Fight](#)[®], USAA joined forces with Reach Resilience and the Humana Foundation two years ago to help prevent veteran suicide and break the stigma around asking for help. So far, an estimated 6,500 veteran lives will be saved by 2032 as a direct result of Face the Fight's philanthropic grants.

WHAT YOU CAN DO: Visit wefacethefight.org to get help, find resources or join the fight.

3.3M

The USAA Educational Foundation[®]'s financial readiness materials reached 3.3 million service members and military spouses in 2024 with free advice and resources tailored to the unique needs of military life.

OFFERING FINANCIAL RELIEF

USAA has a history of stepping up during challenging times. Our [government shutdown program](#) offers zero-interest loans, and we offer special payment assistance programs¹⁴ on USAA products to eligible impacted members. These programs help you meet your financial obligations without added stress.

STRENGTH IN NUMBERS

Leading with Finances

MANAGEMENT ACTIONS TAKEN over the past several years built upon 2023's momentum, with 2024 seeing strong results and continued profitability. USAA once again overcame new and ongoing headwinds — including historic catastrophes, elevated interest rates and industry-wide fraud. We were proactive. We were disciplined. And those efforts strengthened our financial foundation.

These external pressures affected our business, as catastrophes and inflation again drove P&C losses, while elevated interest rates benefitted USAA Life Insurance Co. and USAA Federal Savings Bank. Investment gains from prudent, active management amid a favorable equity market helped offset underperformance in USAA's real estate portfolio. With a solid capital foundation, we are positioned to weather future challenges and continue meeting commitments to our members now and into the future.

The financial highlights shown here have been selected to give an overview of key measures of the association's 2024 financial performance. 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.



FORMER PRESIDENT AND CHIEF EXECUTIVE OFFICER



CHIEF FINANCIAL OFFICER

CONSOLIDATED FINANCIALS (DOLLARS IN MILLIONS)

Years Ended Dec. 31	2024	2023	2022
Total revenues	48,560	42,493	36,297
Total losses, benefits and expenses	44,046	41,145	38,050
Net income attributable to USAA	3,885	1,213	(1,296)
Total comprehensive income	4,027	3,277	(11,778)
Total assets	220,583	211,638	204,005
Total liabilities	188,503	182,490	176,578
Net worth	32,080	29,148	27,427
Total liabilities and net worth	220,583	211,638	204,005
Total P&C dividends and distributions	1,419	1,047	1,111
Total returned to members	2,203	1,845	1,977

(Dividends, distributions, and bank rebates and rewards)

HIGHLIGHTS

\$3.9B

+14%

NET INCOME

Net Income grew, thanks to prudent and purposeful management.

REVENUE GROWTH

More members turned to USAA for insurance, annuities and banking products in 2024.

\$44 BILLION

TOTAL LOSSES, BENEFITS AND EXPENSES

\$2.9 billion higher as we were there for members — including in the aftermath of historic catastrophes — and partially offset by lower non-catastrophe losses and disciplined expense management.

\$32 BILLION

NET WORTH

Net worth grew 10%, further ensuring the financial strength necessary to serve members through extraordinary events like Hurricanes Helene and Milton.

\$221B

ASSETS

Grew 4%, largely the result of strong investment performance and increases in P&C premiums.

\$189B

LIABILITIES

Up 3%, the result of higher insurance reserves from increased P&C claims costs and growth in USAA's annuity business.

\$2.2 BILLION

BACK TO USAA MEMBERS

In 2024, USAA returned \$2.2 billion to our members through distributions, dividends, and bank rebates and rewards. These distributions demonstrated our continued appreciation for their loyalty and trust, as well as our commitment to enhance the value of membership.

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 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.

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

3 United Services Automobile Association discounts and savings for safe drivers may include, but are not limited to, the Premier Driver Level, Premier Driver Discount, Good Driver Discount (California) and Safe Driving program. Not available in all locations. Restrictions may apply.

4 Discounts may not be available in all locations and are subject to change, other restrictions may apply.

5 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.

6 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. This program is only available in select states. Program availability and state restrictions apply.

7 USAA Credit Toolbox™ provides a credit score calculated using the VantageScore® 3.0 model. VantageScore 3.0, with scores ranging from 300 to 850, is a user-friendly credit score model developed by the three major nationwide credit reporting agencies, Experian®, TransUnion®, and Equifax®. VantageScore 3.0 is used by some but not all lenders. Higher scores represent a greater likelihood that you'll pay back your debts so you are viewed as being a lower credit risk to lenders. A lower score indicates to lenders that you may be a higher credit risk

There are three different major credit reporting agencies, Experian, TransUnion, and Equifax that maintain a record of your credit history known as your credit file. Credit scores are based on the information in your credit file at the time it is requested. Your credit file information can vary from agency to agency because some lenders report your credit history to only one or two of the agencies. So your credit scores can vary if the information they have on file for you is different. Since the information in your file can change over time, your credit scores also may be different from day-to-day. Different credit scoring models can also give a different assessment of the credit risk (risk of default) for the same consumer and same credit file.

There are different credit scoring models which may be used by lenders and insurers. Your lender, including USAA Federal Savings Bank, may not use VantageScore 3.0, so don't be surprised if your lender gives you a score that's different from your VantageScore. (And your VantageScore 3.0 may differ from your score under other types of VantageScores). Just remember that your associated risk level is often the same even if the number is not. For some consumers, however, the risk assessment of VantageScore 3.0 could vary, sometimes substantially,

from a lender's score. If the lender's score is lower than your VantageScore 3.0, it is possible that this difference can lead to higher interest rates and sometimes credit denial.

8 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.

9 Walmart® - In store only. Minimum purchase amount to qualify for the offer is \$10.01. © Copyright 2025 Walmart. All rights reserved. USAA Bank American Express® credit cards are not eligible for participation at Walmart retail locations.

10 Murphy USA® - Only at participating Murphy USA stations. Single use only, valid up to 20 gallons.

11 Eagle Express Term Life Insurance - Quotes are for estimate purposes only, and your actual premium will be determined after underwriting review and may vary by state, age, birth sex, and risk class. Risk class is determined by factors such as tobacco use, health, family medical history and lifestyle. Life insurance products may have limitations and conditions and may not be available in all states. Approval for coverage is based on your answers to underwriting questions and may require a medical exam. Premiums remain level for the duration of the policy. Form (ICC23506321 04-23) issued by USAA Life Insurance Company, San Antonio, TX 78288. Not available in New York.

12 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. Rider Form ICC23509575 11-23 (may vary by state). Military Severe Injury Benefit Rider not available in New York.

13 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.

14 Restrictions apply and are subject to change without notice.

15 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.

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All credit cards subject to approval.

American Express is a federally registered service mark of American Express and is used by USAA Federal Savings Bank as the credit card issuer pursuant to a license.

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your policy for details. Product and coverage availability may vary in some locations and all applications for insurance are subject to underwriting by the insurance carrier.

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