



Compensation
Advisory Partners

Industry Report // 2025 Performance Update

Insurance

This Performance Update examines 2025 financial performance among CAP's 19-company sample of the largest publicly traded Property & Casualty (P&C) and Life & Health (L&H) Insurance companies, with median revenue of approximately \$18B. Our annual 2026 Insurance Industry report, which summarizes executive compensation actions, trends, and performance alignment, will be published in Q2 2026.

NEW YORK

1180 Avenue of the Americas, 22nd Floor
New York, NY 10036
+1 (212) 921-9350
www.capartners.com

CHICAGO

200 S Wacker Drive
Suite 3100
Chicago, IL 60606
+1 (312) 462-4500

LOS ANGELES

400 Continental Blvd
6th Floor
El Segundo, CA 90245
+1 (310) 426-2340

SEATTLE

500 108th Ave NE
Unit 1100
Bellevue, WA 98004
+1 (646) 532-5932

| | 2024 - 2025 Annual Growth (Median) | | | | | | | S&P 500 Median TSR ¹ |
|----------------------------|------------------------------------|----------|-----------------------|--------------------|------------------|---------------|--------|---------------------------------|
| | Revenue | Premiums | Net Investment Income | Catastrophe Losses | Operating Income | Operating ROE | TSR | |
| Property & Casualty (n=10) | +6.3% | +6.3% | +10.9% | -1.3% | +24.6% | +1.2%pt. | +18.2% | +8.9% |
| Life & Health (n=9) | +1.5% | -- | +6.0% | -- | +4.7% | +0.8%pt. | +17.4% | |
| All Companies (n=19) | +5.0% | +6.3% | +7.9% | -1.3% | +8.9% | +0.8%pt. | +17.4% | |
| | 2023 - 2024 Annual Growth (Median) | | | | | | | S&P 500 Median TSR ¹ |
| | Revenue | Premiums | Net Investment Income | Catastrophe Losses | Operating Income | Operating ROE | TSR | |
| Property & Casualty (n=10) | +12.3% | +9.0% | +21.5% | +13.6% | +24.9% | +1.8%pt. | +29.7% | +13.9% |
| Life & Health (n=9) | +6.1% | -- | +6.9% | -- | +6.0% | +0.6%pt. | +24.8% | |
| All Companies (n=19) | +10.1% | +9.0% | +11.4% | +13.6% | +8.1% | +0.9%pt. | +27.7% | |
| | 2022 - 2023 Annual Growth (Median) | | | | | | | S&P 500 Median TSR ¹ |
| | Revenue | Premiums | Net Investment Income | Catastrophe Losses | Operating Income | Operating ROE | TSR | |
| Property & Casualty (n=10) | +11.5% | +9.6% | +24.7% | +2.6% | +21.9% | +2.3%pt. | +5.3% | +14.3% |
| Life & Health (n=9) | -1.1% | -- | +6.8% | -- | +5.1% | -0.1%pt. | +10.1% | |
| All Companies (n=19) | +8.7% | +9.6% | +12.1% | +2.6% | +9.9% | +1.5%pt. | +6.4% | |

Source: S&P Capital IQ & Publicly disclosed SEC Filings.

1. Total shareholder return for the S&P 500 is reflective of the median return of all current S&P 500 constituents, not the actual S&P 500 index return.

Key Observations – 2025 Results

- Insurance industry top line continued to increase in 2025, but growth rates were generally lower than 2023 and 2024 levels. Median Revenue growth for all insurers in our sample was +5.0% in 2025, down from +8.7% in 2023 and +10.1% in 2024. Slowing top line growth in 2025 was consistent between both P&C and L&H insurers. P&C insurers reported median Revenue and Net Written Premium growth of +6.3%, each, compared to +12.3% and +9.0% in 2024. L&H insurers reported +1.5% Revenue growth at median, below +6.1% in the prior year.
- Net Investment Income increased +7.9% in 2025 at median. This is slower than median growth in 2023 and 2024 (+12.1% and +11.4%, respectively). P&C insurers continued to outperform L&H insurers with respect to investment income growth (+10.9% vs. +6.0%, respectively), though the gap narrowed from prior year (+21.5% vs. +6.9%, respectively).
- Catastrophe losses (CATs) from the January 2025 California wildfires were a notable headwind for P&C insurers in the first quarter. The early year wildfire impact, however, was offset by a less active hurricane season in the second half of the year, with strong underwriting results that helped absorb costs. Overall CATs for P&C insurers in our sample were actually down slightly in 2025, following two consecutive years of rising CATs. In our P&C sample, CATs were \$16.4 billion in 2025, compared to \$16.8 billion in 2024, and \$15.7 billion in 2023. Six of ten P&C insurers reported lower pre-tax CATs in 2025.
- Operating profitability remained strong in 2025. Median Operating Income for the full sample increased +8.9%, similar to 2023 and 2024 growth levels of +9.9% and +8.1%, respectively. Operating ROE increased year-over-year by +0.8 percentage points at median, the third consecutive year of improvement. Once again, P&C insurers drove overall earnings expansion, with median Operating Income growth of +24.6% and Operating ROE improvement of +1.2 percentage points, which was driven by strong underwriting results and a notable rebound in personal auto lines profitability. L&H insurers reported more modest profitability growth, with Operating Income up +4.7% and Operating ROE improvement of +0.8 percentage points.
- For the fifth consecutive year, total shareholder return (TSR) was positive in 2025, increasing +17.4% at median for our full sample, though below levels observed in 2024 (+27.7% at median). Similar to last year, median TSR was similar between P&C insurers (+18.2% at median) and L&H insurers (+17.4%), and roughly double that of the median increase in the S&P 500 (+8.9%) for the second consecutive year.

For questions or more information, please contact the CAP Insurance Team:

Melissa Burek
Partner
melissa.burek@capartners.com
212-921-9354

Roman Beleuta
Partner
roman.beleuta@capartners.com
646-532-5932

Kyle White
Senior Associate
kyle.white@capartners.com
646-568-1161

Gray Broaddus
Senior Analyst
gray.broaddus@capartners.com
646-532-5931

CAP's Insurance Sample

P&C Companies

Allstate
American International Group
Chubb Limited
Cincinnati Financial
CNA Financial
Hanover Insurance Group
Hartford Insurance Group
Progressive
Travelers
W.R. Berkley

Life & Health Companies

Aflac
Genworth Financial
Globe Life
Lincoln National
Manulife Financial
MetLife
Principal Financial Group
Prudential Financial
Unum Group



Compensation Advisory Partners

Please contact us at (212) 921-9350 or info@capartners.com if you have any questions about the issues discussed above or would like to discuss your own executive compensation issues. You can access our website at www.capartners.com for more information on executive compensation.