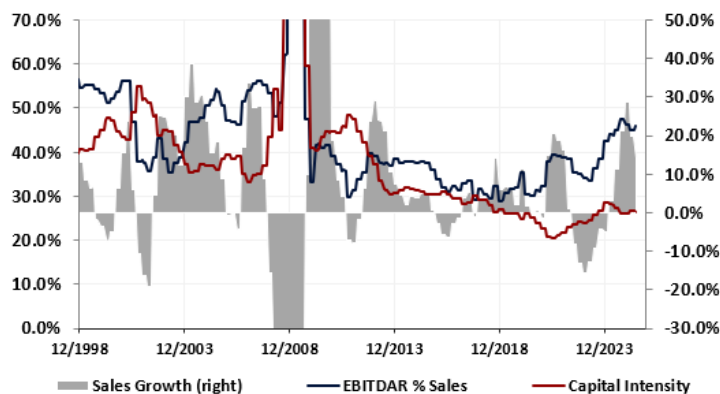


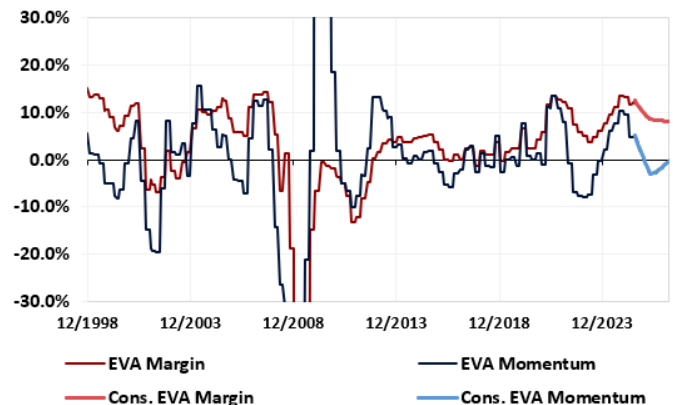
Industry Snapshot: Global Property & Casualty Insurance

- **Summary:** On average, Large Cap firms look attractive in the PRVit framework with strong EVA Fundamentals in the last quarter. Investors had been pricing in a decline in profitability at the beginning of the year but are now expecting incremental growth.
- **EVA Drivers:** Sales growth peaked in Q1 2025 and has since steadily declined, currently being at 14.2%, on a Trailing Four-Quarter (TFQ) basis. EBITDAR Margin rose 70bps to 45.8% in June 2025. The Productive Capital Charge has remained flat around 26%. An increase in investment may support recovery of top-line growth.
- **EVA Fundamentals:** EVA Margin and EVA Momentum dipped in Q1 2025 but have inflected up at the end of Q2 2025. Both metrics are above their longer-term averages. Consensus estimates indicate a sharp decline of EVA Fundamentals, with EVA Momentum expected to turn negative in Q4 2025.
- **Expectations:** Embedded expectations for growth (Future Value Added, FVA) turned positive in H1 2025 and have returned to 2023 levels. Future Growth Reliance (FGR) levels started declining after peaking in May and are currently at 7.8%. While profitability has increased, investors have trimmed expectations for continued growth slightly.

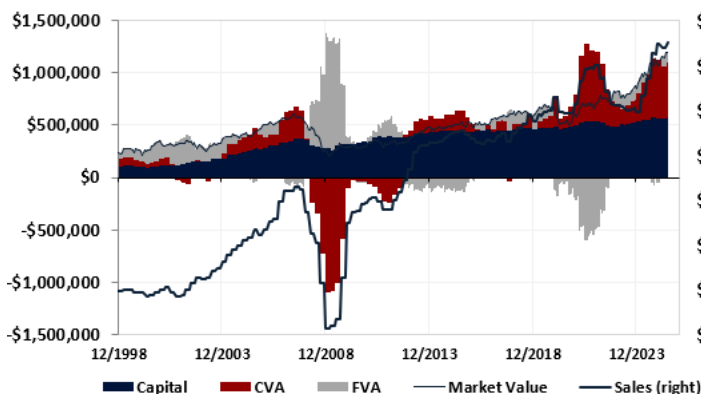
EVA Drivers



EVA Fundamentals



Enterprise Value Components



Future Growth Reliance (FGR)



Casey Lea
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About ISS EVA

We are an independent equity research provider offering investing insights through the use of our proprietary Economic Value Added (EVA) framework. Our experienced team of global analysts offers both fundamental and quantitative company analysis on our +29,000 stock universe.

Visit our website www.EVAexpress.com

Top 10 Largest Firms by Market Cap

- Dominated by U.S. firms, the largest names have an attractive PRVIt score as the cohort's high Quality counterbalances its expensive Valuation (higher is less favorable).
- All firms except **AIG** exhibit positive EVA Fundamentals and strong Quality (Risk-Adjusted Profitability).
- **1339 HK**, **2328 HK**, and **FFH**. are rated 'Buy' and have the highest market returns year-to-date.
- **PGR**, **ALL**, and **8766 JP** currently achieve an ISS ESG Prime rating (ISS ESG Performance score ≥ 50).

Name	Ticker	Country	Mkt Cap (\$mm)	EVA Margin (%)	EVA Momentum (%)	PRVIt Score	Quality (P-R)	Profitability Score (P)	Risk Score (R)	Valuation Score (V)	Return Ytd (%)	ESG Performance Score
PROGRESSIVE CORP-OHIO	PGR	U.S.	141,262	36.6%	20.9%	70	94	99	39	76	2.6%	51.96
CHUBB LTD	CB	U.S.	107,253	24.1%	1.8%	51	69	88	82	59	-3.1%	41.89
TOKIO MARINE HOLDINGS INC	8766 JP	Japan	78,827	17.8%	11.9%	52	85	93	54	55	7.2%	56.31
TRAVELERS COS INC	TRV	U.S.	57,841	23.2%	13.1%	79	92	95	39	63	7.6%	42.71
ALLSTATE CORP	ALL	U.S.	51,203	10.7%	16.0%	75	80	92	66	51	0.6%	52.89
PEOPLES INS CO GROUP CHINA	1339 HK	China	49,745	22.3%	61.0%	89	70	92	88	43	59.6%	27.36
PICC PROPERTY AND CASUALTY	2328 HK	China	46,752	16.6%	15.2%	80	65	78	72	49	33.8%	32.00
AMERICAN INTERNATIONAL GROUP	AIG	U.S.	46,178	-10.3%	1.9%	70	37	25	28	8	10.0%	41.74
INTACT FINANCIAL CORP	IFC.	Canada	39,278	15.7%	7.8%	57	94	85	12	79	16.5%	42.91
FAIRFAX FINANCIAL HOLDINGS	FFH.	Canada	38,732	9.6%	0.5%	86	90	87	29	43	24.5%	31.01
Average				16.6%	15.0%	71	78	84	51	53	15.9%	42.08

PRVIt is scored 0 to 100 where 100 is the most attractive. Profitability and Quality are both scored 0 to 100 where 100 is the best.

Valuation is scored 0 to 100 where 100 is the most expensive.

Top 10 Highest PRVIt Firms

- The top 10 most attractive PRVIt firms have positive EVA Fundamentals and are supported by strong Quality (P – R) and moderate Valuation levels, on average.
- **ANSGR TI** and **HIG** currently achieve an ESG Prime rating (ISS ESG Performance score ≥ 50).
- **HG**, **ORI**, and **KMPR** have the cheapest Valuations

Name	Ticker	Country	Mkt Cap (\$mm)	EVA Margin (%)	EVA Momentum (%)	PRVIt Score	Quality (P-R)	Profitability Score (P)	Risk Score (R)	Valuation Score (V)	Return Ytd (%)	ESG Performance Score
HAMILTON INSURANCE GROUP LTD	HG	U.S.	2,169	14.4%	2.4%	99	97	94	15	36	12.1%	30.55
BOWHEAD SPECIALTY HOLDGS INC	BOW	U.S.	1,067	18.7%	14.9%	97	99	99	11	57	-8.4%	
ANADOLU SIGORTA	ANSGR TI	Turkey	1,191	33.6%	19.0%	97	96	99	32	63	-3.0%	50.14
SKYWARD SPECIALTY INS GP INC	SKWD	U.S.	2,061	15.2%	3.6%	95	98	97	16	58	1.0%	21.65
TRISURA GROUP LTD	TSU.	Canada	1,550	5.2%	1.1%	95	95	89	16	45	13.0%	17.06
OLD REPUBLIC INTL CORP	ORI	U.S.	8,958	8.5%	5.5%	94	92	81	11	40	6.5%	22.94
HARTFORD INSURANCE GROUP INC	HIG	U.S.	34,634	11.2%	2.7%	92	93	85	17	45	11.8%	52.55
DEFINITY FINANCIAL CORP	DFY.	Canada	6,881	12.5%	1.3%	91	97	94	16	59	33.2%	47.79
PEOPLES INS CO GROUP CHINA	1339 HK	China	49,745	22.3%	61.0%	89	70	92	88	43	59.6%	27.36
KEMPER CORP/DE	KMPR	U.S.	3,856	9.4%	38.0%	89	86	85	37	41	-8.9%	33.57
Average				15.1%	14.9%	94	92	92	26	49	11.7%	33.73

ESG Performance Score provides a numerical score from 0 to 100. Prime Status is based on the ESG rating and a sector-specific Prime threshold. The ESG Rating and Performance Scores, however, are comparable across all rated entities. All rated entities with values greater than or equal to 50 are Prime; companies with values less than 50 are not Prime.

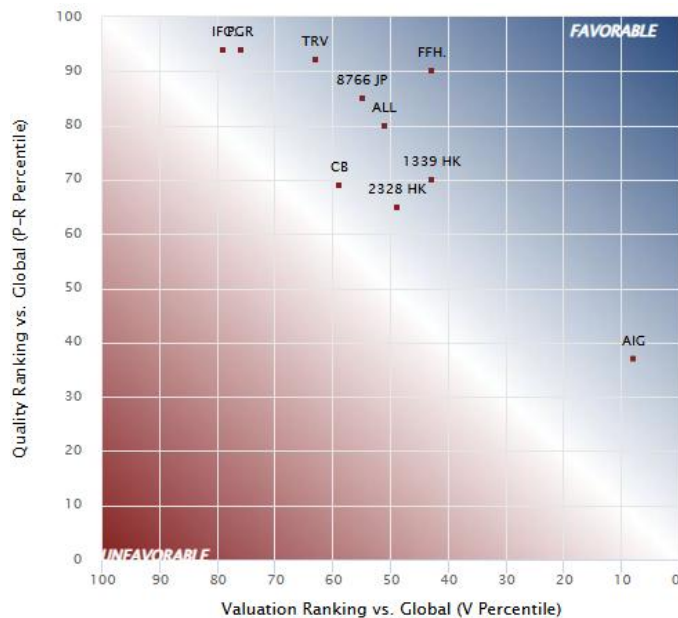
See page 3 for HEAT Maps of the Largest Firms and the Most Attractive Firms.

HEAT Maps

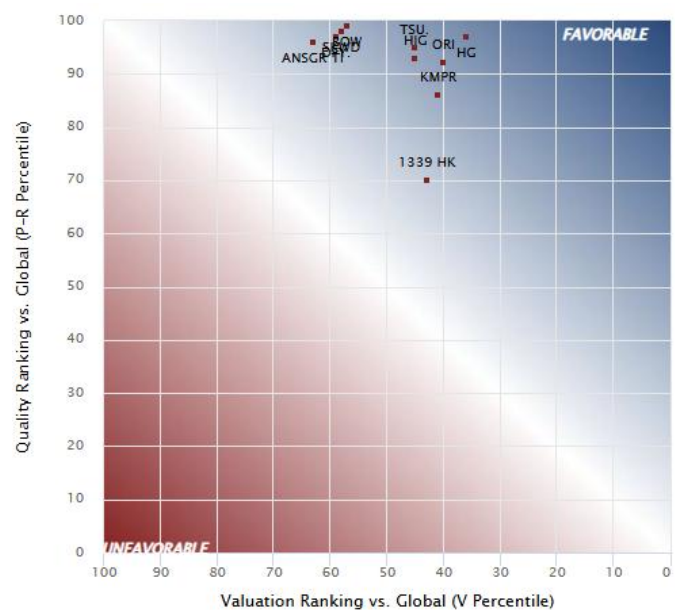
Our HEAT Map shows the visual trade-off between Quality (y-axis) and Value (x-axis). Higher Quality firms will be found at the top of the HEAT Map and cheaper Valuation firms will be further to the right. The companies in the upper-right corner are high-Quality, cheap-Value names with the most attractive PRVIt scores.

- The HEAT Map on the left illustrates the largest firms in the industry, individually placed as a function of Quality and Valuation Rankings.
 - With strong Quality and comparable Valuation, **CB** is positioned in the fairly valued part of the Heat Map.
 - **AIG** has 'Attractive Value' with low Quality and an extremely favorable (cheap) Valuation score.
 - **IFC.**, **PGR**, and **TRV** fall in the 'Expensive But Worth It' category, exhibiting high Quality but also having a high premium attached.
- The HEAT Map on the right shows the most attractive names of the industry.
 - **HG** is within the upper right 'Best of the Best' HEAT Map zone. The firm exhibits strong Quality (P-R) combined with favorable (cheap) Valuation levels.
 - **ANSGR TI** is in the 'Expensive But Worth It' HEAT Map Zone, exhibiting strong Quality and a relatively high Valuation score.
 - The remaining names are all high Quality and have average or slightly-below average Valuations.

Top 10 Largest Firms HEAT Map



Top 10 PRVIt Firms HEAT Map



About ISS EVA

We are an independent equity research provider offering investing insights through the use of our proprietary Economic Value Added (EVA) framework.

EVA converts accounting profits into economic profits and charges businesses for the use of Invested Capital. EVA is superior to traditional measures of profit because it is comparable across companies, industries, and countries, links to a consistent, transparent valuation framework, and provides a unique, unbiased view of Quality, Value, and Growth.

Our experienced team of analysts offers both fundamental and quantitative company analysis through written research, bespoke research, a stock selection model, an online analytical tool offering +29,000 companies as viewed through the EVA framework, custom screening, and portfolio analysis.

Key EVA Concepts

The value of a firm = Capital + PV of EVA

If EVA is increasing then the intrinsic value of the firm is too, suggesting that market value should follow (and vice versa).

EVA = NOPAT - Capital Charge

EVA is profit after all costs, including the cost of giving shareholders a decent return.

EVA Margin = EVA / Sales

A true economic profit margin covering income and asset efficiency. Our EVA Income Statement examines EVA's line item drivers and offers key insights into business profitability.

EVA Momentum = Δ EVA / Sales

An incremental EVA growth rate indicator and key valuation signal and screening measure. The more positive the Momentum, the greater the growth in EVA, and upward pressure on shareholder returns. Inflections in EVA Momentum are an early and more reliable indicator of stock price inflections.

EVA Shock = Δ EVA Momentum

Changes in EVA Momentum is a powerful signal within our framework, with significant relationship with stock price performance.

Market Implied Momentum (MIM)

The annual EVA improvement required for 10 years to justify the prevailing market enterprise value, expressed as a percent of sales; represents a market implied, long-range EVA margin improvement target.

Future Growth Reliance (FGR) = (Market implied value of future EVA growth) / EV

Measures the % of a company's total enterprise value represented by expectations for future growth in EVA. FGR is key to understanding embedded expectations today and versus history. A low FGR versus history coupled with improving EVA trends indicates that the market is not pricing in the improving business model.

Additional Resources

evaExpress.com ([link](#)): Our online offering provides a comprehensive suite of fundamental and quantitative tools utilizing the EVA framework

EVA for Investors ([link](#)): A full introduction to the key EVA concepts and metrics

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