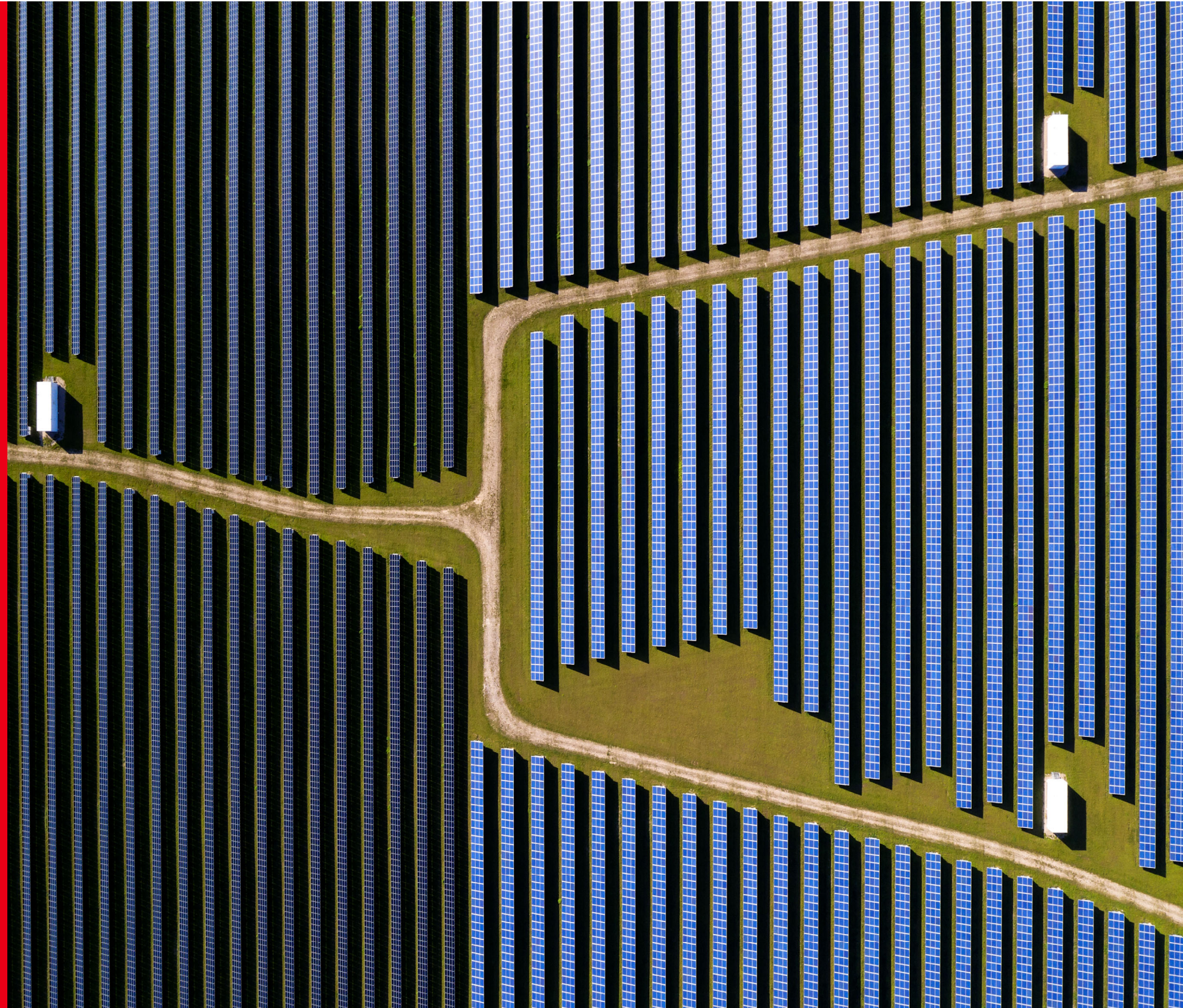




Task Force on Homeowners and Commercial Property Insurance

Pat Abbe
Executive Managing Director

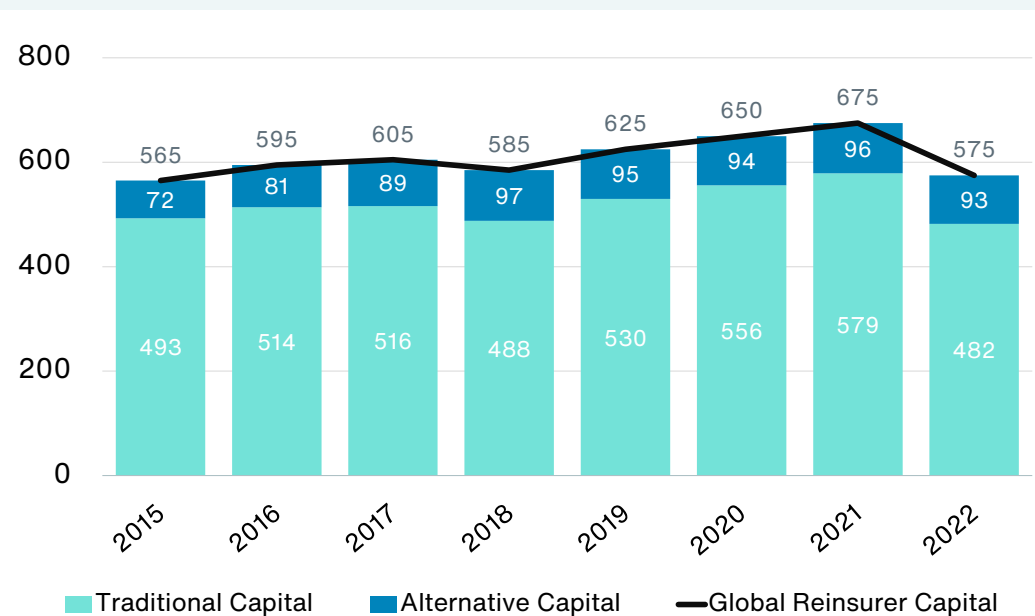
December 3, 2025



Global Reinsurer Capital Reduced in Late 2022

Reinsurance Supply & Demand Impacted in 2022

Global Reinsurer Capital (\$B)



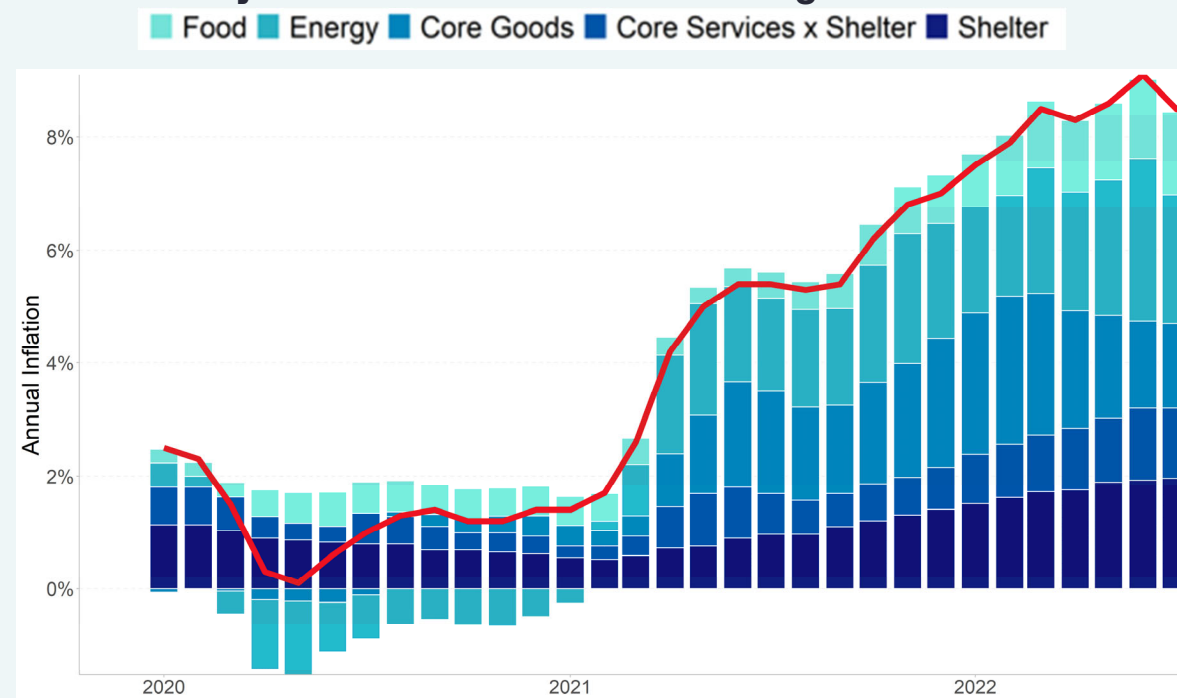
- Aon estimated that global reinsurer capital totalled \$575bn at the end of '22, down 15% from \$675bn at the end of '21.
- Traditional equity had returned to levels last seen a decade prior, driven mainly by unrealized losses on investments.

Key Measure of 'Supply'



Sources: Company financial statements / Aon's Reinsurance Solutions / Aon Securities Inc.

Key Inflation Measure Rose through Q3 2022



- Key inflation metrics had increased consistently since early 2021
- Cumulative impact of inflation felt across the (re)insurance marketplace

Key Factor Driving 'Demand'

Source: U.S. Bureau of Labor Statistics

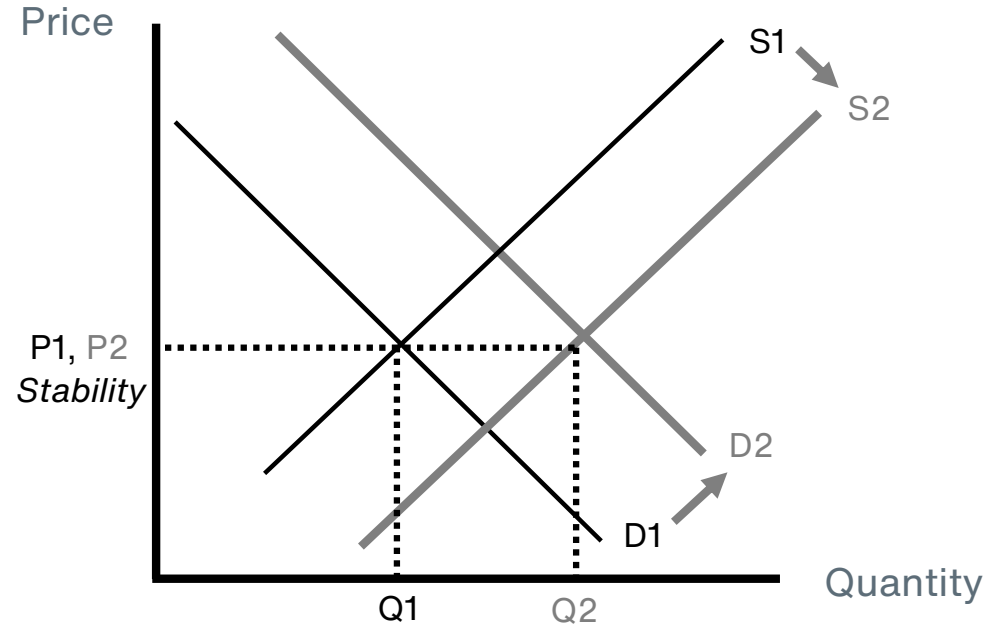
Proprietary & Confidential

The Reinsurance Market in its Simplest Form... *(an Illustration)*

Impacts of the Supply Decrease and Demand Increase Experienced in Late 2022

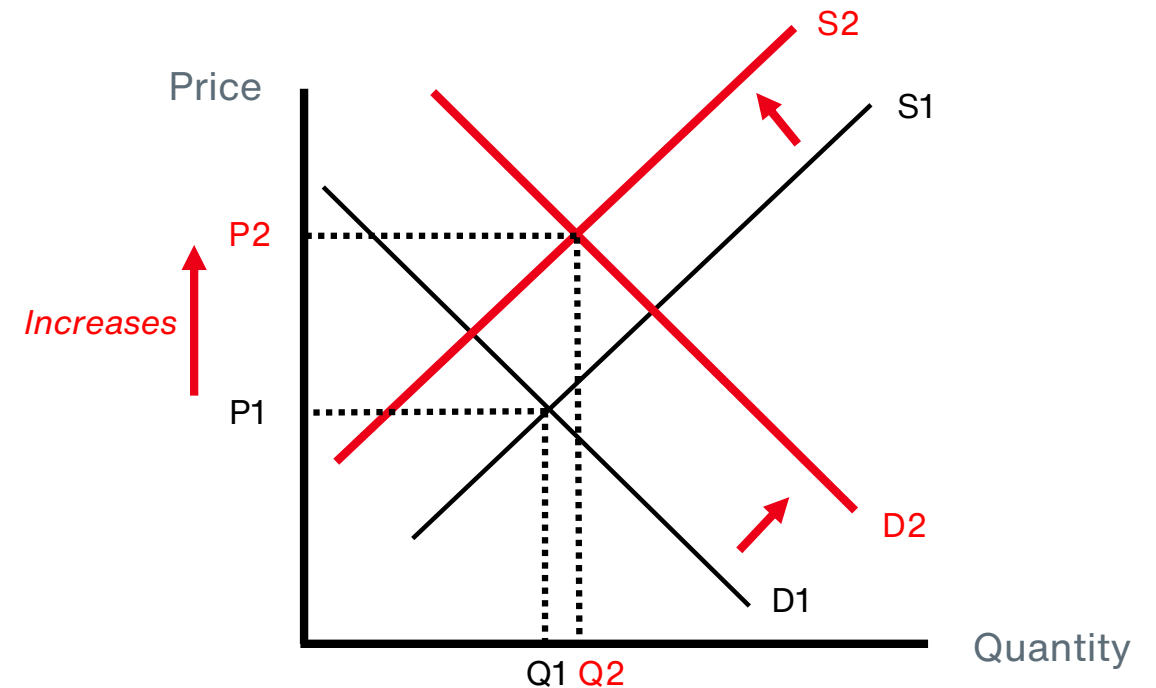
2015-2021 – Supply and Demand Relatively Aligned

‘Relative Pricing Stability’



Impact of both decreased supply and increased demand

‘The Inflection Point’

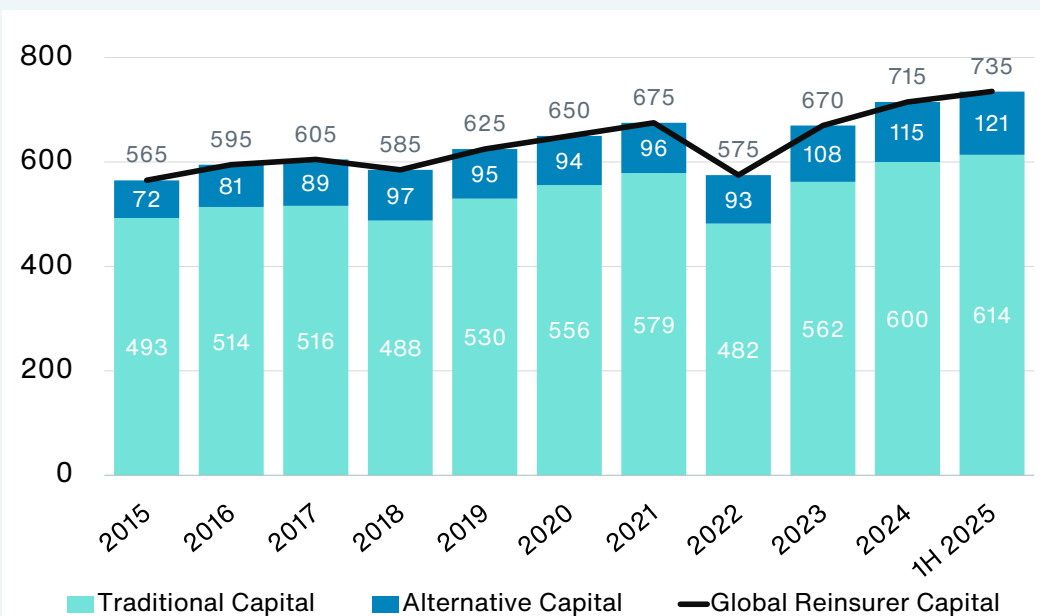


Note: Illustrative examples, not drawn to scale.

Global Reinsurer Capital Has Increased Since 2023

Improved Supply:Demand Dynamics for Buyers of Reinsurance in Recent Years

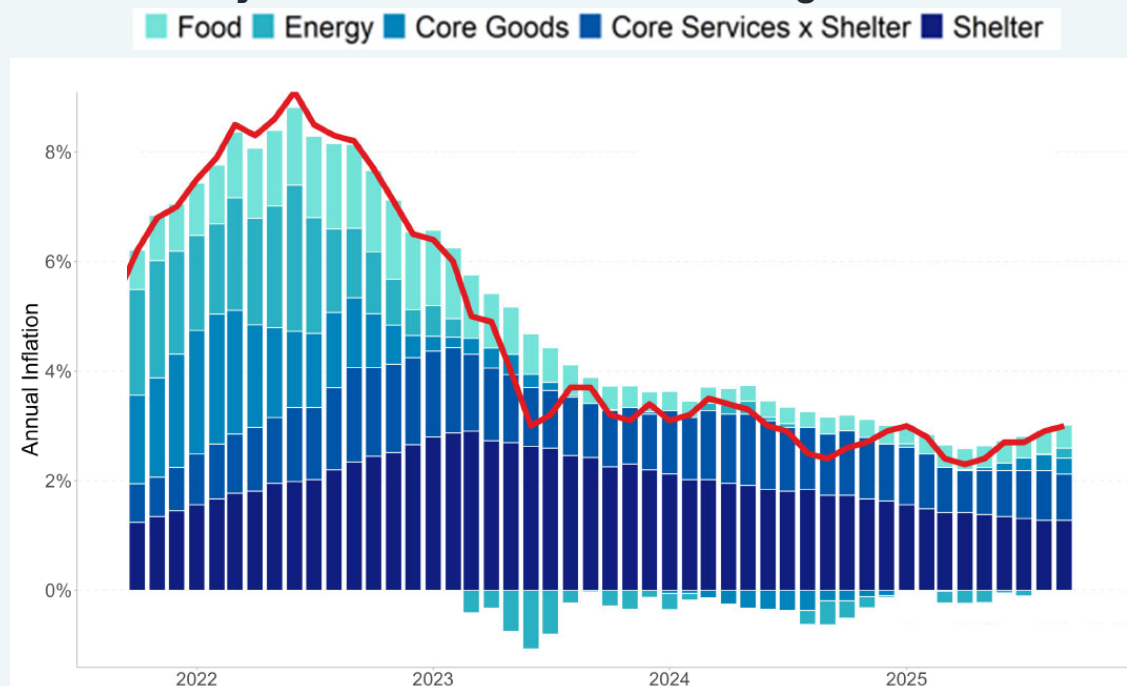
Global Reinsurer Capital (\$B)



- Aon estimates that global reinsurer capital through the first half of 2025 totalled \$735bn, a record high and nearly 28% higher than the end of '22.
- Growth in both Traditional and Alternative Capital has supported the steady grow through the 3 ½ year period.

Key Measure of 'Supply'

Key Inflation Measure Rose through H1 2025



- Key inflation metrics have stabilized since early 2024.
- While inflation has stabled, it remains positive, signaling the expectation for a steady increase in reinsurance demand moving forward.

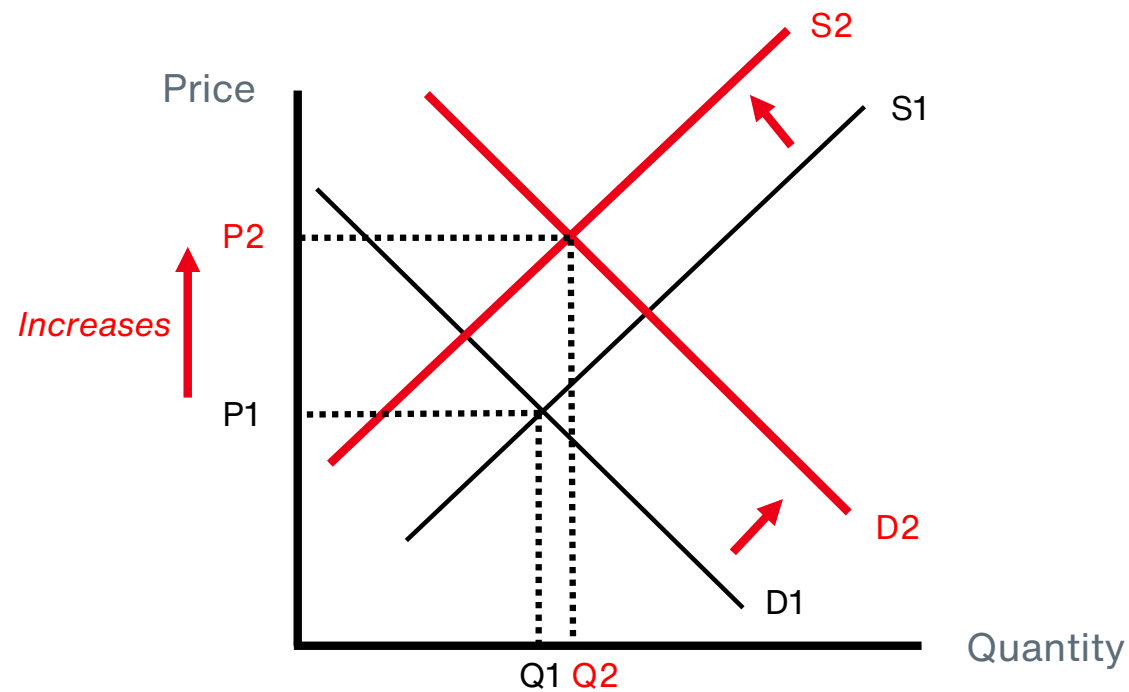
Key Factor Driving 'Demand'

The Reinsurance Market in its Simplest Form... *(an Illustration)*

Impacts of the Supply Increases and Demand Increases Being Observed Today

2022-2023

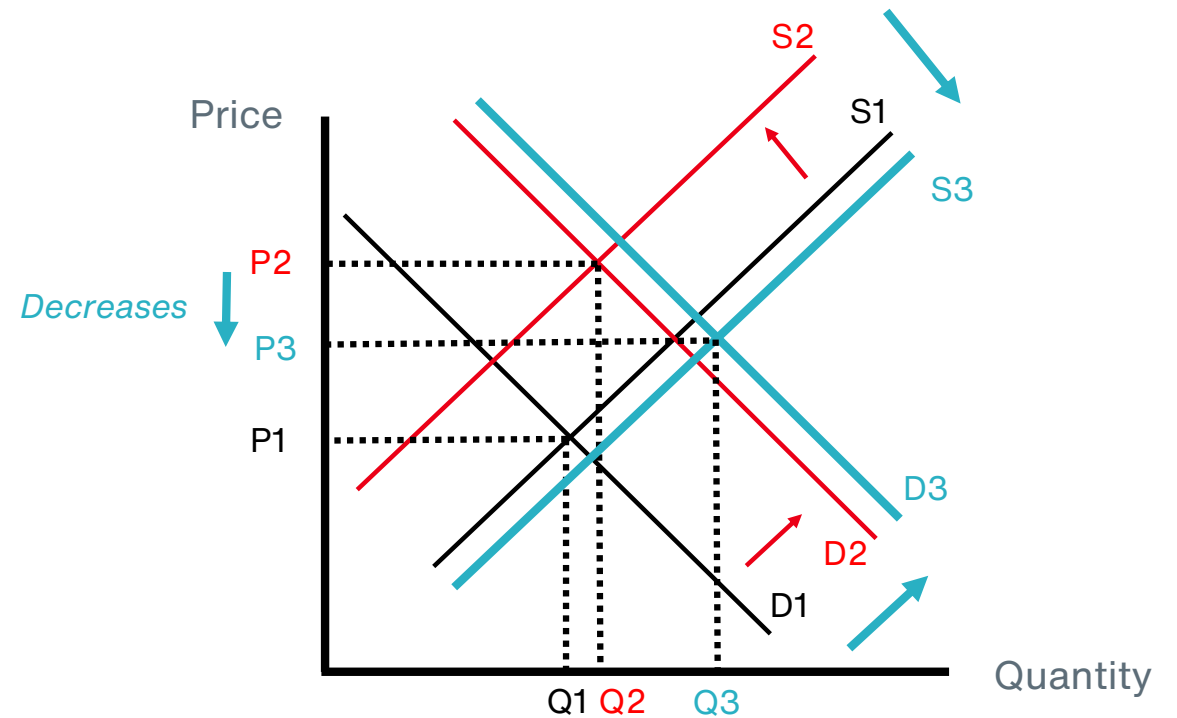
'The Inflection Point'



Note: Illustrative examples, not drawn to scale.

Impact of both increased supply outpacing increased demand

'Looking Forward'



Thank you

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