



2023

# Sustainability Report

Executive Summary

**Allstate**<sup>®</sup>



## Dear Stakeholders

For over 90 years, Allstate has protected people from life's uncertainties to help them achieve their hopes and dreams. It's the why behind everything we do.

We focus on creating the future of protection and a safer, more sustainable world. Our sustainability strategy aligns with Our Shared Purpose and this year's Sustainability Report explains how we help address societal challenges by focusing on People, Planet and Prosperity.

- **People:** Allstate is stronger with an inclusive culture and diverse team. Our Shared Purpose includes Inclusive Diversity & Equity as a core value, which means considering and leveraging unique identities with equitable opportunity and rewards.
- **Planet:** Climate change has increased the severity of weather catastrophes, negatively impacting our customers, communities and shareholders. Catastrophe losses totaled \$5.6 billion in 2023, an 81% year-over-year increase. Allstate is advocating for stronger building codes, adequate disaster response capabilities and public-private partnerships to help homeowners. We are also pursuing attractive returns for shareholders by investing in the transition to a lower carbon economy.
- **Prosperity:** Personal information is necessary to empower customers with accurately priced protection and support them when disaster strikes. To serve customers, we strive to use industry-leading data privacy practices and influence public policy on data privacy. It's simply the right thing to do.

Allstate has made substantial progress on sustainability since initiating this report over 20 years ago, but given a rapidly changing world, there is more work to do. Our Shared Purpose unites us, our values define who we are, and our operating standards and behaviors embody how we work. Collectively, they guide us in building a sustainable, customer-forward business.

**THOMAS J. WILSON**

*Chair, President and CEO*



At Allstate, we empower customers with protection to help them achieve their hopes and dreams. It's the why behind everything we do. An integrated approach to sustainability enables us to protect customers, create value for shareholders and have a positive impact on people, planet and prosperity.

# People

Customer protection and employee wellbeing are at the heart of our purpose-driven culture. Allstate is committed to empowering customers with affordable, simple and connected products and experiences. Our inclusive workplace and diverse supply chain help us better serve employees and customers. Allstate and The Allstate Foundation continue to make a difference for the people in our communities.



## Customers

Allstate made substantial progress in the Transformative Growth initiative to offer low cost protection through lower costs, increased pricing sophistication and telematics. In 2023, this included further expense reductions and the launch of a new Affordable, Simple and Connected auto insurance offering in seven states.

In 2023, Allstate delivered our promise to customers by paying out over \$42 billion in claims across all business segments. Over the past three years, we paid out more than \$12 billion to customers in response to 374 catastrophe events.

Allstate is expanding the protection services businesses using the Allstate brand, distribution and other capabilities. Protection services policies in force increased 4.3% compared to 2022.

## Suppliers

By working with qualified diverse suppliers, Allstate expanded our pool of partners to reduce supply chain risk while fostering greater economic equity.

In 2023, Allstate spent \$430 million with 2,110 diverse suppliers.

## Employees

Allstate focuses on skill-based hiring to find the best candidates: About 50% of new hires in 2023 didn't have bachelor's degrees.

Allstate's efforts in talent management helped cut voluntary turnover in half at Allstate U.S., compared to 2022. And the percentage of Allstaters with favorable views of employee engagement rebounded to pre-pandemic levels.

Our flexible workplace is a competitive advantage. Employees like it, and we had a 23% increase in job applications in 2023. Allstate was recognized by [Forbes](#), [The Muse](#) and [Fortune](#).



## Communities

The Allstate Foundation, Allstate, Allstate employees and agency owners collectively donated \$49.6 million to more than 6,900 nonprofits in 2023. This amount included \$750,000 in emergency relief grants.

Allstate employees and agents also self-reported 186,000 volunteer hours to support communities.

The Allstate Foundation provided grants to support three key pillars:

**\$6.7M**  
for disrupting the cycle of relationship abuse

**\$8.0M**  
for advancing racial equity

**\$8.5M**  
for youth empowerment

# Planet

Allstate works hard to make insurance affordable and available in the face of frequent and severe catastrophic weather. We address climate impacts from multiple angles, advocating for public policy solutions and doing our part to reduce emissions.



## Drivers of Change

In 2023, Allstate focused on key drivers of change to analyze trends shaping our industry, such as climate change. The climate change priorities include:

- Manage climate risk in the homeowners business.
- Promote the availability and affordability of homeowners insurance.
- Invest in the transition to a low-carbon economy.

## State and Federal Engagement

Allstate is working toward public policy solutions that address resiliency, remediation and sustainability. We advocate for the Resilient AMERICA Act to enhance FEMA's Building Resilient Infrastructure and Communities program.

## Emissions Reduction

Allstate is working to achieve net zero Scope 1 and 2 greenhouse gas emissions by 2030. In 2023, Allstate developed a roadmap to achieve this goal.

Through leveraging a remote workforce, real estate space has been reduced by nearly 40% since 2020, which includes the addition of National General real estate after Allstate acquired National General in 2021. Lighting, heating and power systems have been upgraded, and a 100% hybrid auto fleet will be in place by 2025, with 58% of vehicles currently hybrid.

Allstate designed a supplier engagement strategy that targets over 50% of our total reported emissions. It includes developing capacity-building resources and accountability mechanisms for suppliers.

The strategy builds on work from the past four years to encourage suppliers to disclose environmental data through [CDP](#). In 2023, 88% of Allstate's invited suppliers participated, higher than the average response rate. 60% of those reported renewable energy purchases, and 89 reported climate-related targets.

Allstate has also worked proactively and extensively with state legislatures to provide needed protection to homeowners through partnerships such as the California Earthquake Authority (CEA), Florida Hurricane Catastrophe Fund (FHCF) and Texas Windstorm Insurance Association (TWIA). We have long supported the CEA, FHCF and TWIA, and helped lead the creation of the CEA. We also seek to strengthen the financial positions of such partnerships through adequate rates and appropriate funding mechanisms.



# Prosperity

Allstate's reputation and success depend on managing risk for customers, employees, shareholders and communities. We ensure that Allstate meets the highest ethical and compliance standards. Allstate pursues prosperity for stakeholders through an investment portfolio that earns attractive risk-adjusted returns while helping improve society and the environment.



## Cybersecurity

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Allstate is teaching children about cyber safety. The program taught over 10,000 kids in 2023 (a 2.4x increase over the previous year).

A program for parents is being launched in 2024.

Over 30,000 people worldwide have taken Allstate's cyber safety training to-date.

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When employees were asked about the cybersecurity events they joined, 99% said they learned something new and better understand how cybersecurity plays a role in their work.

## Ethics and Compliance

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Ethics and integrity are everything. 100% of active global Allstate employees completed the annual ethics and compliance training in 2023.

Ethisphere recognized Allstate as one of the [2024 World's Most Ethical Companies](#) for the tenth consecutive year.

## Responsible Investing

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100% of Allstate's active, passive and externally-managed assets under management were covered by our Responsible Investing Policy in 2023.

At the end of 2023, the monetary value of Allstate's responsible investments totaled \$7.7 billion, making up 11% of the investment portfolio.

This included \$201 million allocated to climate-related investments and \$211 million in new commitments with diverse sponsors and managers.

Allstate's diversified portfolio of 113 low-income housing tax credit funds, which we've invested in since 1997, was valued at about \$1.4 billion at year-end, with \$203 million added in 2023.

En route to setting a target for financed emissions, Allstate is using a climate risk assessment tool to help measure the transition risk of investments. We also established an initial financed emissions inventory of Allstate's public and private portfolios.