

2023

# Sustainability Report

**Allstate**

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## Dear Stakeholders,

At Allstate, sustainability matters. It drives long-term value creation and enables us to empower our customers with affordable, simple, connected protection to help them achieve their hopes and dreams. We are creating the future of protection while also supporting a safer, more sustainable world for future generations by focusing on People, Planet, and Prosperity.

- **People:** Our inclusive culture and diverse, purpose-driven workforce leverages differences to strengthen our business and help our customers and team members thrive. Inclusive Diversity and Equity are core values at Allstate.
- **Planet:** Weather-related catastrophes caused by climate change negatively impact our customers and shareholders. We are proactively addressing climate risk to protect homes and communities. We are also pursuing attractive returns for shareholders by investing in the transition to a less carbon-intensive economy.
- **Prosperity:** Personal data enables us to accurately price our products and support our customers with affordable, simple, and connected protection. Our industry-leading data privacy program safeguards our customers' information and our business. Promoting consumer privacy is essential to serving our customers, employees, communities, and shareholders.

This year marks the 20th anniversary of Allstate's first sustainability report and reflects our enduring commitment to Allstate's shared values. In 2023, we made significant progress on various sustainability initiatives, including:

- Allstate allocated \$201 million to climate investments in our investment portfolio, focusing on climate mitigation and adaptation.
- We are committed to transitioning 100% of Allstate's fleet to hybrid vehicles by 2025, with 58% of our vehicles already being hybrid at year-end 2023.
- Approximately 6% of Allstate's procurement spend was with minority-, women-, and veteran-owned businesses.
- Allstate's employee engagement scores rebounded to pre-pandemic levels, with 83.5% of employees expressing a favorable view of engagement, surpassing industry benchmarks.



But as we reflect on 2023 – a year that represented an unfortunate milestone as the warmest year on record – we recognize there is more work to do. We will continue to focus on managing climate risk and reducing emissions. We are exploring opportunities associated with the transition to a less carbon-intensive economy. We are encouraging better coordination between federal and state agency responses to natural disasters and support for recovery. We are advocating to improve the availability and affordability of insurance through the creation of low-cost sources of public capital. And to improve climate resiliency, we are leveraging research and expertise to advocate for data-driven resiliency standards at federal and state levels.

Allstate is working to contribute to a safer and more sustainable world that benefits all stakeholders. Our sustainability initiatives will enable us to deliver on our commitments to our customers while also improving communities and creating opportunities for our team and economic value for our shareholders. We invite you to read more about our progress in this report and join us on this journey.

*Elliot A. Stultz*

**ELLIOT STULTZ**

*Chief Sustainability Officer*

# Our Integrated Approach

Our Shared Purpose is to empower customers with protection to help them achieve their hopes and dreams. It's the why behind everything we do. Our purpose and values guide how we run the business, and our strategies focus 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 our employees and customers. Allstate and The Allstate Foundation continue to make a difference for the people in our communities.

## Planet

**Allstate seeks to make insurance affordable and available in the face of frequent and severe catastrophic weather. We work to improve climate resiliency in our industry and in our communities. Through our products, services, operations and investments, we protect customers and build a better tomorrow.**

Weather related catastrophes have been more severe, impacting customers and our business. Our success relies on modeling, pricing and managing climate-related risks effectively and on reducing our own footprint. It's important to our Transformative Growth strategy to make our products affordable, simple and connected and also responsive to environmental and social concerns.

## Prosperity

**Allstate ensures customers have a private, safe and secure digital experience. Shareholders are provided financial returns paired with positive environmental and social impact.**

Our reputation and success require us to balance risk and return for customers, employees, shareholders and communities. Allstate is a leading digital insurer and champion for data privacy. We have robust information security policies and systems that protect customer and employee data. We ensure ethical, fair and accountable business practices across our operations. As an institutional investor, we pursue prosperity for all through a portfolio that delivers attractive risk-adjusted returns while enhancing impact.



# Our Strategy and Transformative Growth

Our strategy is to increase personal property-liability market share and expand protection offerings by leveraging our brand, our customer base and our capabilities.

We’re expanding protection services businesses using the Allstate brand, distribution, analytics, claims, investment expertise, talent and capital. Our innovative growth platforms and broad distribution include Allstate exclusive agents, independent agents, contact centers, online, retailers, workplace benefits brokers, auto dealers, original equipment manufacturers and telecom providers. We’re everywhere customers need us.

With the Transformative Growth strategy, we’re setting a new standard in the industry and redefining how we operate.

Transformative Growth sets the stage for continuous growth in all areas of our business, including product distribution, operations and claims processing. We’re improving customer value, expanding customer access, increasing sophistication and investment in customer acquisition, deploying new technology ecosystems and driving organizational transformation. Why? Because we want to provide affordable, simple and connected protection to better serve 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. Transformative Growth has driven our strong market position, as evidenced by 194 million policies in force as of year-end 2023, a 2.8% increase over last year. We’re establishing a leading digital insurance presence that has a broad impact in the market.

## Drivers of Change

To better protect and serve customers, Allstate is integrating innovation and resiliency into our business strategy. In 2023, the Corporate Strategy team focused on key drivers of change to analyze four external trends shaping the industry over the next five to 10 years. Over a span of 12 weeks, approximately 40 leaders from multiple business areas looked at the effects of artificial intelligence (AI), climate change, customer connectivity and the personal transportation evolution.

The Corporate Strategy team is developing new plans to act on the risks and opportunities these trends present for Allstate, our customers and our shareholders.

Trend	Description
Artificial Intelligence	The development, application and societal implications of AI technologies.
Climate Change	Changes in long-term weather patterns, rising sea levels and water supplies.
Customer Connectivity	How customers engage with the world, including individuals, brands and products.
Personal Transportation Evolution	Changes in transportation methods as individual behaviors and government policies shift, like electric vehicles, autonomous vehicles and ride-sharing.



# Societal Engagement

Allstate wants to have a positive impact and serve stakeholders. We also need to focus our resources to maximize our impact and manage risk. To balance those considerations, we created societal engagement guidelines.



## Societal Engagement Framework

Six principles inform our position on issues and the actions we take:

**1** Does it align with our values?

**2** Is it important to our ability to serve customers?

**3** What is our level of expertise on the issue?

**4** Do we have an ability to effect change?

**5** Does it affect stakeholders?

**6** Does it affect risk-adjusted returns?

Societal issues and actions are then categorized as lead, support or no engagement:

**Lead**

Advocate and engage actively

**Support**

Work with partners to address the issue in a way that benefits stakeholders

**No engagement**

Monitor and assess the issue but don't engage

Climate resilience, data privacy and Inclusive Diversity & Equity are three priority issues for us.

## Climate Resilience

More frequent and severe weather impacts our customers, communities and shareholders. Allstate is protecting homes and communities and advocating for stronger building codes, adequate disaster response capabilities, and public-private partnerships to help homeowners. We work with state and local governments to help create evacuation plans, improve mitigation and address the costs of rebuilding. These efforts lower property damage and insurance costs, and more importantly, keep people safe. To benefit our business, customers and communities, we've also made net zero commitments for our operations and invested in the transition to a lower-carbon economy.

## Data Privacy

To run our business and serve customers, we use personal information, which we must protect. We do that by maintaining an industry-leading data privacy program, actively managing cybersecurity risks and influencing public policy on data privacy.

## Inclusive Diversity & Equity

To achieve Our Shared Purpose, employees, agents and customers must feel comfortable showing up as their authentic selves. Inclusive Diversity & Equity (IDE) recognizes and respects unique identities with equitable opportunities and rewards for all and strengthens the way we:

- **Serve our customers:** Creating an inclusive and equitable culture helps us attract and retain new customers and earn their loyalty. Bilingual Allstaters serve customers in their preferred language; we design apps for accessibility; and agents build strong customer relationships through shared community.
- **Create opportunity for our team:** By embracing unique identities and providing equitable opportunities to our employees, we harness diverse ideas and products to help protect customers while attracting, retaining, developing and rewarding the best talent.



- **Improve our communities:** By working with qualified diverse businesses, we expand our pool of partners to reduce supply chain risk while fostering greater economic equity. By empowering youth to succeed and lead through service, we're helping all people achieve better outcomes for themselves and their communities.

## Public Policy Engagement

Allstate engages in public policy advocacy at state and federal levels to foster market innovation, protect consumers, promote safety and security, ensure a healthy regulatory system and promote fiscal responsibility.

Given that Allstate is regulated in all 50 states, Canada and at the federal level, we participate in public policy issues relevant to the business to achieve Our Shared Purpose, including serving customers and generating attractive shareholder returns. We participate in political activities through direct and indirect advocacy, corporate political contributions and Allstate's political action committee. Allstate contributes less than \$1 million annually in corporate funds to political organizations, constituting a small fraction (less than .01%) of total revenue, which was \$57.09 billion in 2023.

To ensure responsible corporate political engagement, the chief risk officer conducts an annual risk and return assessment of Allstate's political activities for the Board. The Board's Nominating, Governance and Social Responsibility Committee closely monitors Allstate's political contributions and activities, including holding joint sessions with the Board to ensure comprehensive oversight. See Allstate's [2024 Proxy Statement](#), [Public Policy Report](#) and the [Planet](#) section of this report for details on Allstate's policy engagement activities.



# Materiality Assessment

*Materiality in our sustainability reporting is focused on sustainability topics and does not directly correspond to the concept of materiality used in securities law.*

Allstate regularly assesses risks and impacts through diverse frameworks and evaluations. We also engage with stakeholders to identify and prioritize industry-specific issues with real and potential impacts on our business. This guides our business transformation, aiming to enhance resilience and improve the customer experience.



## Materiality Assessment Process

Since 2015, we've collaborated with internal and external stakeholders to discern the issues with the most significant impact on our capacity to generate value, manage risks effectively and meet stakeholder expectations. This helps us identify and assess our most significant environmental, social and governance (ESG) risks, opportunities and impacts, integrating stakeholder feedback into our governance strategy and reporting.

In 2023, we worked in close collaboration with an external agency to revisit our material topics and priorities using the following process:

### Topic and Impact Identification

The most important topics affecting Allstate's business are those that represent internal or external risks, opportunities or impacts. To identify topics, we researched leading global frameworks, guidelines and rating and ranking methodologies, and drew insights from industry peers. During a workshop with internal business leaders, we reviewed the initial findings and identified potential areas of risk, opportunities and impact.

### Stakeholder Engagement

We worked with internal experts and leaders to identify and prioritize Allstate's most significant environmental, social and governance risks, opportunities and impacts. We led focus groups with employees and agents, and interviewed external stakeholders, which included investors, suppliers and business partners. Then we evaluated the findings and the priorities of each stakeholder to guide our reporting, management and engagement strategies.

### Validation

After stakeholder engagement, we summarized the key findings and prioritized topics based on the significance of each one on Allstate and our stakeholders. The ESG Steering Committee then reviewed and confirmed the results. Read more in [Accountability and Action](#).

## Results

The matrix illustrates the outcomes of our materiality assessment. The results strongly align with Allstate's existing Transformative Growth strategy, Societal Engagement Framework and Our Shared Purpose, which emphasize customers, products, innovation, climate resilience, data privacy and Inclusive Diversity & Equity. These results will guide future strategies and the development of actions and topics highlighted in this report.



## Accountability and Action

Allstate uses the findings of the materiality assessment to reevaluate sustainability initiatives and reporting, ensuring we address the topics our stakeholders care about.

Our governance approach underscores Allstate's dedication to sustainability practices and accountability throughout our operations. The Board has a central role in overseeing environmental, social and governance matters, with support from the Nominating, Governance and Social Responsibility Committee. The Board receives regular updates on sustainability issues, showcasing a commitment to transparency and accountability. Specialized committees within the Board focus on specific facets of enterprise sustainability, with the Risk and Return Committee assessing climate risk, the Compensation and Human Capital Committee evaluating organizational health and human capital management practices, and the Audit Committee scrutinizing data privacy and cybersecurity.

Allstate's oversight of sustainability extends beyond the Board. Our chief sustainability officer, who reports to Allstate's chief legal officer, works

with leadership from across the company to guide Allstate's sustainability efforts and reports regularly to the nominating, governance and social responsibility committee on the company's progress as well as provides periodic updates to the full Board. In 2007, we created a steering committee focused on sustainability. It includes leaders from across the company and is co-chaired by the senior vice president of Corporate Strategy and the chief sustainability officer. The ESG Steering Committee meets regularly to consider sustainability issues and initiatives and ensure a holistic approach to environmental, social and governance considerations across the organization. The Sustainability team, led by Allstate's chief sustainability officer, provides additional oversight of sustainability. The team handles sustainability reporting, monitors sustainability-related risks and opportunities, regulatory developments and best practices, engages employees with corporate sustainability initiatives and supports enterprise strategy. To hold ourselves accountable and drive progress on sustainability initiatives, Allstate evaluates non-financial performance against our Transformative Growth and Inclusive Diversity & Equity (IDE) strategies in our annual incentive plan. Because IDE and Transformative Growth are part of Allstate's strategic priorities, their progress was linked to executive compensation in 2023, with a total weighting of 10% for each.



We set targets and track metrics for material issues that could impact enterprise value creation, some of which are tied to executive compensation, as exemplified for a subset of our material topics:

### Customer Experience and Support

- Enterprise Net Promoter Score, which measures how likely customers are to recommend Allstate, was 51.2 at the end of 2023. We're working to dramatically elevate our customer experience relative to peers by meaningfully improving 20 million customer interactions annually to drive growth and retention.
- In 2023, Allstate Identity Protection maintained a post-remediation satisfaction score of 98%. In 2024, we have a goal to maintain or improve this score.
- Allstate is increasing and enhancing customer coverage. We're expanding protection services businesses using the Allstate brand, distribution, analytics, claims, investment expertise, talent and capital. In 2023, Protection Services policies in force increased 4.3% compared to 2022.
- Executive stock awards take into account advancements in Transformative Growth and the rollout of our "affordable, simple, connected" product and experience.

### Talent Management and Development

- Allstate has approximately 53,000 full-time and 400 part-time employees, including about 27,700 full-time and 170 part-time Allstate U.S. employees. In 2023, we cut our voluntary turnover rate in half at Allstate U.S. year-over-year to 12%.
- In 2023, Allstate conducted Allstate Asks, an employee survey for the global workforce. In 2024, we aim to introduce four more global workforce pulse surveys on the employee experience.
- Allstate's employee engagement scores have rebounded to pre-pandemic levels: 83.5% of employees have a favorable view of engagement at Allstate, higher than the industry benchmark of 79%. Our goal is to maintain or increase that score in 2024.

### Sustainable Investment

- As of Dec. 31, 2023, we managed a \$66.68 billion investment portfolio, with \$7.7 billion (11% of our portfolio) in responsible investment categories, compared to \$7.5 billion (12% of our portfolio) as of Dec 31, 2022. We expect to increase the year-end 2023 \$7.7 billion allocation to responsible investments over the next three years.
- In 2023, Allstate allocated \$201 million to climate investments in our investment portfolio across climate mitigation and adaptation.





## We also track metrics related to material issues for external stakeholders, including:

### Decarbonization and Low Carbon Economy

- Allstate aims to achieve net zero Scope 1 and 2 emissions by 2030, with 93,521 mtCO<sub>2</sub>e total Scope 1 and Scope 2 (market based) emissions in 2022.
- In 2023, 48% of weather-related claims were processed using virtual inspection technology, and 46% of damage estimates were completed through photos or live streaming video, reducing emissions associated with technicians traveling to customers' homes.
- Our target is to convert 100% of Allstate's fleet to hybrid vehicles by 2025. At the end of 2023, our fleet of about 2,000 vehicles was 58% hybrid.

### Inclusive Diversity & Equity

- In 2023, 55% of Allstate's U.S. workforce and 45% of the management team were women.
- Allstate's employee engagement scores in the Inclusive Diversity Index are above industry benchmarks, with employees expressing a strong sense of equal career opportunities, leading by 11% compared to industry benchmarks.
- In 2023, 6.8% of Allstate's total procurement spending went to diverse suppliers (veterans, persons with disabilities, etc.) Allstate has a goal to increase procurement spending with qualified diverse suppliers to \$470 million by 2025.

## Enterprise Risk and Return Management

Allstate's Enterprise Risk and Return Management (ERRM) framework revolves around maintaining a strong foundation, building strategic value and optimizing return per unit of risk. These objectives encompass priorities such as maintaining capital strength, solvency, and liquidity, complying with laws, acting ethically, and protecting customer and proprietary information.

Allstate's Board of Directors is primarily responsible for risk oversight, with 12 independent directors contributing experience in enterprise risk management. The Board oversees risk management activities with support from the Audit Committee. The Audit Committee oversees risk and control processes as required by New York Stock Exchange. The Risk and Return Committee, which oversees Allstate's ERRM, also supports risk management governance.

Allstate's chief risk officer (CRO) reports to the CEO and has the highest operational responsibility for managing, monitoring and auditing risk. For example, the CRO presents the Risk and Control Report to the Audit Committee twice a year to facilitate oversight. This report provides an overview of enterprise risks, including significant control issues identified by Internal Audit, highlights key changes in internal risk processes that could impact the effectiveness of internal controls and incorporates Internal Audit's review of controls over key risks and related audit results.

The Enterprise Risk and Return Council (ERRC) directs ERRM activities, establishing risk and return targets, determining economic capital levels and monitoring integrated strategies and actions from an enterprise risk and return perspective. The ERRC includes Allstate's CEO, CRO, chief financial officer (CFO), chief legal officer (CLO) and other senior leaders. Councils and business areas focused on information security, environmental, social and governance, and investment collaborate on risk management. Through these channels, Allstate regularly identifies, measures, manages, monitors and reports significant risks, including those affected by climate change, financial markets, cybersecurity and privacy threats.

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These objectives encompass priorities such as maintaining capital strength, solvency, and liquidity, complying with laws, acting ethically, and protecting customer and proprietary information.

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### Emerging Risks

In 2023, Allstate identified artificial intelligence (AI) and state-specific regulatory environments as two emerging risks.

Outputs from generative AI can have exponential benefits but also significant challenges associated with accuracy, ethics, bias, privacy, security and emerging regulations. To mitigate these risks, Allstate maintains a robust model risk and return management program, and developed responsible usage guidelines for generative AI in 2023. We're developing automated performance monitoring and an ability to systematically detect model changes introduced into production. We're also exploring bias detection and enhancing integration between model and supplier risk management.

State-specific regulations can impact Allstate's ability to price insurance appropriately for the level of risk. That can limit our ability to provide products to consumers in certain states. We're mitigating these risks by analyzing geographies on a more focused scale and considering the interplay of metro areas within states to balance risk and return and assess profitability. We'll incorporate these measures into our priorities and strategic plan for 2024.





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The products we offer and the technologies we integrate into our products are designed to be affordable, simple and connected. To deliver this value to our customers, we have to support our own people. Our organizational culture and commitment to Inclusive Diversity & Equity help every Allstater thrive, so our business and customers can thrive. Through our corporate and foundation giving and volunteering, we help our communities thrive too.



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We're making bold changes to empower customers with products and experiences that are affordable, simple and connected.

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# Products and Technology

## Our Ambition

Allstate is building the future of protection. Our ambition is to serve more customers in better ways at a lower cost while creating prosperity for all stakeholders. Our Transformative Growth strategy is how we're building that future. We're making bold changes to empower customers with products and experiences that are affordable, simple and connected. We're also protecting more of what customers care about so they can be worry-free and feel good about the price they're paying. We're making our products easy to understand, buy and use. We give customers what they need so that we continue to earn their trust. More information on Allstate's protection solutions can be found in the [About the Company](#) section of this report.

## Our Progress in 2023

Allstate made significant progress in 2023 toward Transformative Growth. We revamped our customer experience and analytics, deployed new technology ecosystems and modernized our claims processes to benefit customers.

We continued to strengthen our customer focus and insights across the company. We established Customer Experience Operating Norms to guide teams on how to deliver our promise to customers. Customer experience leaders presented to 15,000 employees about our customers, which is a 188% increase over the prior year.

We increased [Drivewise®](#) and [Milewise®](#) connections by 5% year-over-year, using telematics to give customers better prices as well as greater transparency and control.

In 2023, we redesigned our app for iPhone and Android, with bonus features that give users new ways to save money on gas and parking while helping them understand potential climate-related risks to their homes. Each week, over 2.5 million customers opened the Allstate app to manage their protection, connect with support and discover new services.

## Customer Experience

Providing protection to help people achieve their hopes and dreams has always been Allstate's purpose and promise.

That's why we created Customer Experience Standards and in 2023 established Operating Norms for each standard. They guide our teams to deliver on the promise and make our customer experience strategy more actionable and measurable.

To gauge our progress on the standards and norms, we established a Customer Experience Measurement Framework. It considers customer interactions, perceptions and business outcomes to help us make smart decisions focused on the customer.

We're available whenever and wherever customers need us. With solutions tailored to their needs. We're exploring how we can include Allstate protection with other products, like having customers get renters insurance as part of the rental application process.

To ensure we meet our promise to customers, we ask for their feedback throughout the year. In 2023, we heard from about 600,000 unique households. We use the Enterprise Net Promoter Score (NPS) to measure how likely customers are to recommend Allstate. We finished the year with an NPS of 51.2, below the prior year. The score reflected the impact of substantial price increases necessary to offset higher loss costs.

We also used customer feedback, operational data and competitive benchmarking to identify customer experience focus areas.

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Providing protection to help people achieve their hopes and dreams has always been Allstate's purpose and promise.

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## Telematics and Smart Pricing

Telematics lets devices talk to each other. It integrates telecommunications, vehicle technologies, electrical engineering and computer science. Allstate uses telematics to help save lives on the road through greater awareness of safe driving behaviors. Telematics can make products more affordable by making rates more accurate and personalized. It gives customers information on their driving and more control over what they pay.

[Arity](#) collects and analyzes driving data to help make transportation smarter, safer and more economical. In 2023, Arity collected and analyzed about 1.5 trillion miles of mobility data at a rate of 12,000 miles per second from over 40 million users.

Our [Drivewise](#)® product gives customers insight into their behavior and promotes safe driving. Customers save just by activating Drivewise® in the Allstate mobile app. This data is used to adjust the premium when they renew. Safe driving can mean a lower premium. As of year-end 2023, Drivewise® was available in 48 states and Washington, D.C., with over 1.88 million Drivewise® connections.

Using telematics and the sensors in a smartphone, the Allstate mobile app can detect when a customer may have been involved in a serious car crash as a passenger or a driver. The app offers quick access to emergency assistance, claims and Allstate Roadside. In 2023, more than 10,400 customers received a crash detection notification, 176 used it to call 911 and 96 used it to call for roadside assistance.

The premise of Milewise® is simple: “Drive Less, Save More.” Most Milewise® customers drive less than 6,000 miles a year. Thanks to an in-car device and the pay-per-mile model, they pay a lower daily rate plus a per-mile rate instead of a six-month fixed premium. So, low mileage drivers get the same great coverage and claim service from Allstate at a lower rate. At the end of 2023, approximately 367,000 vehicles were enrolled in Allstate’s Milewise®.

## Sustainable Product Development

In 2023, we drove sustainability outcomes through several product innovations. [SquareTrade Europe](#) developed a claims-level emissions model that shows the amount and source of carbon emissions of every device serviced. Using this data, SquareTrade Europe can predict and reduce claims-related emissions. That includes increasing the number of successful repairs and increasing the refurbishment and reuse of devices. These actions reduce SquareTrade Europe’s emissions and shift customers to lower-cost repair options, generating business value. These innovations are also aligned with Europe’s regulatory environment, and with what customers and SquareTrade partners expect.

Through our investments in technology and data science, we optimized the coverage areas of roadside service providers and the distance they drive to reach customers, reducing their average mileage by 2% in just one year. Data science and geospatial models are helping us create a more efficient service network. Customers get faster response times while service providers consume fewer fossil fuels – generating fewer greenhouse gasses.

In 2023 via our  
mobile app



**10,400**

customers received  
a crash detection  
notification

**176 people**

called 911

**96 people**

called for roadside  
assistance



We're supporting the expansion of electric vehicles (EVs) by providing manufacturer-recommended education on new vehicle technology to service providers. Like how to safely service an EV and the potentially hazardous environmental implications of EV crashes. We developed the Moment Of Rescue Education (M.O.R.E.®) program to provide vehicle-specific information to on-site service providers, improve the customer experience and create efficiencies that benefit the environment.

Read more about Allstate's environmental efforts in the [Planet](#) section.

## Claims

We're improving how we show up for customers when they need us most by simplifying and modernizing our processes and reducing enterprise risk.

We developed a new quality assurance process to assess claim handling and identify quality gaps. We used data and technology to increase the number of claims reviewed for quality assurance and provide deeper insights across our claims business.

## Integrating Technology

Every year, we make progress toward our digital future by building new products and experiences for customers and driving efficiency through analytics. In 2023, we redesigned our app for iPhone and Android. New features give customers more reasons to use the app beyond insurance. It has a tool, powered by [GasBuddy](#), to help customers save money by finding the lowest-priced fuel in their area; parking reservations by [SpotHero](#), to help customers find and save money on parking; a weather risk resource, powered by [Risk Factor](#), to help customers understand climate risks for their home, like flooding, wildfire and severe wind; and a trusted repair shop finder through the Good Hands Repair Network to help customers in need of auto body work. We improved existing features on the app, like making the Apple Wallet link more prominent, and pre-populating details for app-connected customers who request auto quotes. At the end of 2023, 42% of Allstate customers were using the mobile app; 46% of damage estimates were completed using photos or live-streaming video; and 48% of weather-related claims were addressed using virtual inspection technology.

We expanded the use of artificial intelligence and machine learning across our business. We introduced Responsible Use Guidelines for Generative AI, and our Data, Discovery and Decision Science team announced a new operating model to accelerate the delivery of data analytics capabilities such as AI and machine learning and insights to fuel our products and experiences. This led to customer insights that will allow us to provide broad personalization.

## Allstate Identity Protection

Technology can be a benefit and a risk — to individuals and their personal data. [Allstate Identity Protection](#) (AIP) helps people manage their digital risks, monitor for suspicious activity and restore their identity if it's stolen. The award-winning product includes privacy, cybersecurity and family digital safety tools in addition to industry-leading identity restoration services with a 98% post-remediation customer satisfaction score.

AIP ended 2023 with nearly 3 million policies in force. AIP works with about a third of the Fortune 500 and in 2023 we added 425 companies to protect 44,000 additional households.

For more on how Allstate is protecting information, see the [Privacy and Information Security](#) section.





# Organizational Culture



## Our Ambition

At Allstate, employees can connect and belong, learn and grow, and make an impact. We have an inclusive workplace, a diverse workforce and equitable practices that help us better serve our employees, customers and community. We invest in health and safety, employee wellbeing, talent development, employee engagement and more because we want Allstate to be a workplace where everyone can grow and succeed.

## Our Progress in 2023

In 2023, we continued to invest in the core elements of Transformative Growth, enhancing the organizational culture for approximately 53,000 full-time and 400 part-time Allstate employees. While full-time employees make up 99% of our workforce, our organizational culture extends to employees of all types.

We created a \$10 million “2023 Connection Budget” for activities that bring Allstaters together for connection and belonging. We ensured employee safety, enhancing occupational health and safety training and office risk assessment resources. We modernized talent recruitment and development, reducing the time it takes us to complete first-round interviews by more than 50%.

We doubled paid leave time for new parents to six weeks, offered employees more financial support for surgeries and expanded retirement savings options. We also offered employees a variety of programs to support their mental, physical, emotional and financial wellness.

These efforts helped us cut our voluntary turnover rate in half at Allstate U.S. year-over-year to 12%, while our average calendar year absentee rate of 3% stayed in line with national averages. The percentage of Allstaters with favorable views of employee engagement rebounded to pre-pandemic levels.

## Talent Strategy

Allstate provides employees with rewarding work, professional growth and educational opportunities. We deliver a meaningful employee experience by offering development opportunities, modernizing our reward and talent structure and embracing flexible work.

We want employees to feel connected and valued. To achieve this, we focus on:

- Attracting and retaining high-quality talent.
- Developing and strengthening our leadership team.
- Building marketable skills and knowledge.
- Creating a diverse and inclusive workforce.
- Engaging and empowering employees to perform at their best.
- Providing an exceptional employee experience.

As part of our commitment to advancing digital transformation at Allstate, we continued to invest in roles that support our business strategy. That's how we're developing the talent we have and recruiting more talent. In 2023, Allstate U.S. filled 28% of its vacancies internally.

### Talent Recruitment

In 2023, Allstate saw a 20% increase in job applications. Why? Because we have a flexible workplace and an enhanced recruiting process. We prioritize and personalize communication with candidates and improve their scheduling and screening experience. Since we launched the Talent Acquisition Tech Stack, recruitment has become substantially more efficient: The time between application and first-round interview decreased 59% to just 10.4 days.

We automated some steps to give recruiters more time to handle hiring needs that are more complex and benefit from a personal touch. This has improved sourcing and screening and increased efficiency. We now respond to candidates on the same day they apply.



### Talent Management

Allstate is putting capabilities and skills at the center of our talent practices. We're nurturing continuous learning, adapting to changing business demands and aligning individual and team skills with the organization's goals. We quickly identify skill strengths and gaps and empower employees to gain new skills so they're ready for the future.

In 2023, Allstate set the stage to unlock the full value of our global workforce. We created a consistent way to assess skills across the company so we know what we have and need. Human Resources works with Enterprise Risk and Return Management to measure, monitor and mitigate talent-related risks like skill gaps and training needs. We evaluated skills for 3,600 jobs to understand what we need and to identify emerging skills for future roles. We assessed 39,000 employees to understand the skills of Allstate's current workforce.

Our performance management and talent planning lead to a high-performing culture. We invested heavily in strengthening leadership capabilities. For example, we launched an enterprise-wide leadership development program, Leading at Allstate, to maximize the capabilities we need for Transformative Growth.

In 2024, we'll also launch an enterprise-wide mentoring program through Workday and continue working toward our human capital development targets:

- Increase jobs filled by internal candidates by 15% by year-end 2024.
- Ensure that 60% of people leaders complete the Leading at Allstate program by year-end 2024.
- Upskill 60% of employees in one or more of Allstate's five enterprise skills (learning agility, customer centricity, results-orientation, digital literacy and inclusive leadership) by year-end 2024.



## Occupational Health and Safety

Allstate ensures a safe and healthy working environment for employees by providing access to health and safety resources and complying with all local, state and federal regulations.

### OHS Policy

Our [Global Code of Business Conduct](#) outlines policies and practices relevant to occupational health and safety (OHS). It applies to all operations and to all employees, contractors and individuals under our supervision and is developed in consultation with employees. It also prioritizes health and safety issues, and details relevant action plans. The implementation of our OHS policies and practices, as outlined in the Global Code of Business Conduct, is endorsed by executive leadership and we'll keep improving our OHS management system.

### OHS Programs

Our OHS Management System ensures the health and safety of our teammates, supporting their productivity and reducing labor costs. Although the OHS system is not externally verified, we assess risks and hazards at all locations and do internal inspections. We evaluate progress toward preventing and reducing health and safety risks. We investigate work-related health and safety incidents and train employees to reduce them. We extend our OHS criteria beyond internal operations to procurement and contractual requirements.

In 2023, we enhanced health and safety at Allstate.

- We produced biweekly Safety Sessions, available to all employees.
- We posted weekly Safety Food For Thought memos on our internal site, AllConnect.
- We made ergonomic safety more visible to employees on AllConnect.
- We launched safety training for field adjusters.
- We started a self-safety risk assessment program for our low-risk sites. This allows Allstate health and safety staff and third-party vendors to prioritize assessing higher-risk sites.

### OHS Metrics

Our health and safety efforts improve productivity and reduce labor costs. But they have another aim: to drive down workplace incidents and workers' compensation claims. Tracking them is part of our ongoing assessment of OHS policies and programs. In 2023, we received 109 workers' compensation claims, with 70 of them amounting to lost time or medical expenses paid and 1,255 days of paid time lost due to injury. Our goal is to reduce incidents and claims each year. In 2023, we took steps toward that, like strengthening integration across teams within environmental health and safety, human resources and workers' compensation.

## Allstate India's OHS achievement

Built on work that began in December 2022, Allstate India anticipates receiving an ISO 45001:2018 certification for occupational health and safety management systems in early 2024. Incorporating the latest research and best practices, this certification demonstrates dedication to providing a safe and healthy work environment for everyone, including contractors. Allstate India identified and addressed potential risks and hazards across all areas of operation. Building systems that contribute to a strong safety culture, encourage participation and promote open communication enhanced employee engagement.



## Benefits

Caring for employees means improving their experience and the value we provide. Over the past year, we evaluated our benefits to give Allstaters more of what they need.

### The result:

- **Increased paid leave for parents:** To six weeks for primary and non-primary caregivers.
- **Expanded retirement plan capabilities:** We added a self-directed brokerage window option to the Allstate 401(k) Savings Plan.
- **Increased the quality of health care and mitigated costs:** For 2024, we added [Transcarent](#), which puts health consumers in charge, directly connecting them with high-quality care, transparent information and trusted guidance on their terms. Transcarent provides access to specialized surgeons for employees and dependents in select healthcare options. The surgery is paid at 100% after any applicable deductibles.



## Employee Support Programs

We support employees' physical and mental health, financial security, resilience, stress management and work-life balance. Offering programs in these areas helps us avoid risks and comply with regulations. But it's also the right thing to do. Allstate employees can choose where and how they work: from the office, home or a combination.

### Alternative Working Options

Flexibility is key to attracting and retaining talent. Our U.S. employees have options:

- **Flexible Work:** From an office, home or a combination. Hybrid and home-based employees have tools to make collaboration easier. We've tested agile or temporary space options in locations where Allstate has no office, and we offer all U.S.-based employees funds to cover expenses related to working from home.
- **Compressed Workweek:** For those who want to work fewer but longer days. Depending on state or local laws.
- **Flex Time:** Employees choose their start and end times. Again, depends on state or local laws.
- **Part-Time Work:** In 2023, part-time Allstaters represented 1% of U.S. and global employees.

### Supporting Allstate Families

From their first day, all full-time, regular, part-time and temporary Allstate employees are eligible for paid leave to care for family members. Allstate offers six weeks of paid parental leave for primary and non-primary caregiver employees who have a newborn, have adopted or have had a child placed in their care. Allstaters can also use paid time off to care for a family member with a physical or mental health condition. This is in addition to 12 workweeks of unpaid leave under the Family and Medical Leave Act. A family leave of absence may apply to care for a parent, spouse or child with a serious illness for up to 12 months with manager approval.

Eligible employees can be reimbursed up to \$5,000 per child for certain expenses related to adoption. Our Buckle Up Baby Program provides either one car seat free of charge or one upgraded car seat per child at a reduced cost. Through [KinderCare](#) and [Learning Care](#) centers, we offer employees a 10% discount on tuition for child care, preschool, summer camps and more.

Workplace Wellbeing

Allstate supports employees’ wellbeing through mind, body and wallet programs:

- [Ayco](#): Personalized guidance, including one-on-one financial coaching on any topic related to personal finances and online resources to help map out goals, track progress and prepare for what’s next.
- [Spring Health](#): Confidential mental health services for each family member and unlimited lifestyle coaching. Includes up to six in-network therapy sessions and medication management support.
- [Virgin Pulse](#): Online platform and app with resources for employees’ mental, physical, financial and social needs. Employees who participate in certain programs and track activities through Virgin Pulse can earn up to \$200 in wellness incentives.
- [RethinkCare](#): Digital mindfulness platform to support resilience, stress management, performance and growth. With thousands of free audio and video sessions.
- [Good Life Thrive Talks](#): Wellbeing sessions that are recorded and available on demand.
- [Guided Meditations](#): Weekly live or virtual sessions.
- [Yoga](#): Weekly live or virtual sessions.
- [Energy for Life](#): An extensive program where employees can clarify their personal purpose, develop skills to manage stress, and learn ways to get healthier in mind, body and spirit.

The Future of Work

Thanks to our flexible work environment, we’ve seen an increase in total job candidates since 2022. And roles with remote/flexible options get twice as many applications as those without. To strengthen the connections among teams that may not work in the same place, we dedicated \$10 million to in-person and virtual social events, travel budgets and other activities. Flexible work also means that when an employee moves for personal reasons, they can stay with Allstate.

It’s not just Allstaters who love our workplace. In 2023, our CEO was honored in the [Forbes Future of Work 50](#), we won a [VIBE Award](#) as one of the best companies for work flexibility, and we were [recognized by Fortune magazine](#) for our flexible work policy.

Learning and Development

To meet employees’ development needs, we overhauled our training in 2023. The Allstate Asks survey showed that 76% of employees want more time and resources for professional skill building and development. So we designed a Global Learning & Development internal model to strengthen learning and close capability gaps. We started by mapping the skills necessary for Allstate’s success. Then we consolidated learning teams and established metrics for higher-quality learning.

We opted for more internally developed offerings and are moving content to one learning management system, [Workday](#). We stopped courses with low attendance and reduced 40% of content volume, saving about \$1.2 million a year in vendor costs.

In 2023, we increased the dollars invested and time spent on a full-time employee for training and development. Check out the stats below and find detailed breakdowns in the [Appendix](#).

	2021	2022	2023
Average dollar amount spent per FTE on training and development*	599	582	629
Average hours spent per FTE on training and development**	35	58	66

\*Allstate U.S., excludes National General and the family of companies. Includes costs such as employee tuition reimbursement, workshops, and learning and development platforms.

\*\*Data excludes National General. Degreed and learning management system data is used to calculate training and development hours.

We continuously evaluate and improve our training programs. This includes pre- and post-session knowledge checks and surveys for learners’ feedback. For programs that are more intensive and require a higher commitment, surveys are done immediately after the program, at 60 days and at 180 days. These are sent to the learner and their manager to assess how effective the learning was and how it applies to their job.



## Talent Pipeline Programs

We streamlined initiatives to concentrate on four high-impact programs for building an inclusive and diverse workforce and expanding the pool of future leaders. Those programs are Executive Coaching and McKinsey & Company's three Connected Leaders Academy pathways. A fifth program is being developed: Elevating Women at Allstate. We launched a Sponsoring at Allstate pilot with VPs and above to improve opportunities, connections and personal branding for protégés. Sponsors are matched with employees and use their social capital, networks and influence to advocate for them.

## Leadership Programs

In 2023, we expanded leadership development with programs for first-time leaders and mid-level leaders as part of a Leadership Academy with world-class user experience. We piloted Leading at Allstate, our first such enterprise-wide offering. Notably, over 250 leaders completed live sessions, with feedback indicating a 95% willingness to recommend the learning and 97% employee satisfaction with the content.

## Tuition Reimbursement

Tuition reimbursement helps develop employees' talent, address financial inequity and strengthen recruitment and retention. In 2023, nearly 700 Allstate U.S. employees completed more than 3,300 college credits. That's about \$2.4 million invested toward their degrees. To make it easier and more equitable for employees to access educational opportunities, we introduced a new tuition reimbursement vendor, [Guild](#), in late 2023. Guild gives employees more funding flexibility, allowing upfront payments made directly to schools within Guild's Learning Marketplace or tuition reimbursement for those outside the Learning Marketplace. Employees can get up to \$5,250 a year for tuition assistance per person as long as they achieve a rolling cumulative grade point average of C or better. Tuition assistance previously only covered college credit-bearing degree programs. Guild covers those, and also professional certificates, boot camps, college prep, language learning and high school completion.

## Degreed

[Degreed](#) continues to provide Allstaters with a self-directed digital learning platform. In 2023, we extended Degreed to Allstate Canada and Allstate Identity Protection. Degreed consolidates internal and third-party content, including [LinkedIn Learning](#), [getAbstract](#), [Harvard Spark](#) and our newest learning provider, [Aperian \(GlobeSmart\)](#), which helps employees work more inclusively and increase their global mindsets and behaviors. In 2023, Degreed delivered more than 450,000 hours of learning to 28,000 unique learners at Allstate, who completed about 482,000 courses.

In 2023,

**~700**

Allstate U.S. employees  
completed more than  
3,300 college credits.

That's about

**\$2.4M**

invested toward  
their degrees.



## Employee Engagement

When employees are engaged, they're more fulfilled, which improves their wellbeing and the company's business success. In 2023, Allstate implemented strategies that focused on flexible work, employee listening, inclusion, diversity, equity and recognition. For example, we have a Wellbeing Champion community that makes wellbeing accessible to employees and embeds it into the culture. In 2024, Wellbeing Champions will expand to global offices and integrate with employee onboarding.

### Allstate Asks

So how do we measure employee engagement? Through Allstate Asks, a survey that goes out in the second quarter of each year. Our previous employee survey, Inspire, was restructured in 2023 to capture better results and renamed Allstate Asks. It assesses employee sentiment around topics like their sense of connection, feelings of wellbeing, workload management and overall job satisfaction. Over 33,000 Allstaters provided their feedback in 2023, and engagement has rebounded to pre-pandemic (2020) levels. In 2023, 83.5% of respondents had a favorable view of engagement at Allstate, up 1.5 percentage points over the prior year and higher than other industry benchmarks, which average 79%.

Simply put, data from Allstate Asks tells us what employees like and don't like.

- **Thumbs-up for flexible work.** There were no meaningful differences in sentiment of home-based, hybrid and office workers, and employees appreciate the flexibility of remote work.
- **Props for peer recognition.** Getting recognition from coworkers increases perceptions of growth and development and attitudes toward rewards and recognition.
- **Kudos for inclusive and diverse culture.** There were no meaningful differences in employee sentiment across gender or racial groups. Employees praised our inclusive culture and commitment to diversity. Diversity training is viewed positively.
- **Our managers and team members are supportive and caring.** Many employees expressed appreciation for their direct managers, who provide coaching, are open to feedback and care about employee wellbeing. Employees also feel supported by their immediate team members and believe there is a true culture of collaboration.

What are employees not so excited about? They want updated tools and processes, more clarity of vision from senior leadership, workloads that are more manageable and better support with career development. We'll work on these to keep improving employee engagement.



## Peer Recognition

Employees are more engaged when they feel valued and their efforts are recognized. We have implemented Quarterly Touchpoints to strengthen recognition of skills and behaviors aligned with Transformative Growth, which we track using talent mobility and talent transfer metrics. Additionally, we have launched a global peer-to-peer recognition program, Applause. It's available in the U.S., Mexico, Canada, India and Northern Ireland. In 2023, employees recognized each other almost 3 million times. About 85% of employees got points they can redeem for merchandise, gift cards or donations to charities. Allstaters used Applause points to explore museums in Sweden, get new laptops, fund coffee habits and more. Allstate Asks survey results show that receiving and giving Applause enhances engagement.



# Inclusive Diversity & Equity

## Our Ambition

Inclusive Diversity & Equity (IDE) is a core value at Allstate, and it's brought to life by our purpose-driven employees. So why do we call it Inclusive Diversity & Equity? Because being inclusive is essential to diversity and equity. If we're not inclusive, then diversity and equity can be just stats, a company checking a box. But by putting inclusion first, we're fully embracing the breadth of our differences and the benefits of diversity. IDE guides who we are and how we conduct ourselves. We work to attract, nurture and retain a diverse and skilled workforce that reflects our customers and communities. We do so by capitalizing on our employee-centered programs and practices, many of which are described in the [Organizational Culture](#) section of this report. Our goal is to eliminate inequities in our business practices, culture and communities because everyone has a right to participate and prosper in an equitable society.

## Our Progress in 2023

In 2023, we significantly advanced our IDE strategy to hire quality talent, enable and expand leadership strength, and build market-ready capabilities with an engaged and high-performing workforce. We made great strides to foster a resilient workforce while prioritizing talent development, retention and mobility practices that empower every employee to reach their career aspirations.

Some highlights:

- **Diverse workforce:** In 2023, 55% of our U.S. workforce were women and 40% of our U.S. workforce were racially or ethnically diverse.
- **Recognition:** In 2023, Allstate was recognized by several global organizations for IDE progress, including [Fair360](#) (formerly DiversityInc), [Black Enterprise](#) and [Forbes](#). Allstate was again named to the [Fair360 Top 50 Companies for Diversity](#). The list recognizes large U.S. employers that model fairness in their talent strategy, workplace and supplier diversity practices and philanthropic engagement.
- **Employee engagement scores:** Allstate is well above industry benchmarks on IDE, and employees feel the company's culture is inclusive and embraces diversity.



## Allstate IDE Accountability, Clarity, Transparency

In 2023, Inclusive Diversity & Equity (IDE) activities were strategically concentrated on establishing the foundation of the IDE ACT (Accountability, Clarity, Transparency) Framework in business areas. They all now have an Inclusion Council or an IDE Business Lead who partners with Human Resources to achieve our corporate IDE strategy. We expanded the IDE strategy to business areas with consistent IDE SMART goals. At the end of 2023, business units had accomplished over 75% of their goals.

To ensure an inclusive and globally aware leadership team, we embedded tools like [Aperian GlobeSmart](#) into our business area strategies. We're promoting the development of skills and mindsets necessary to lead diverse teams effectively. We want our culture to reflect and celebrate the richness of our workforce.

## Our Inclusive Workplace

We offer all employees a robust learning and development platform, mentoring programs and career development. Because all Allstaters deserve the same opportunities for success.

One area of focus for diverse representation is our executive leadership. The following table outlines the breakdown of women among Allstate's executive officers from 2021 through 2024. Data is as of Feb. 1 in each year and is aligned with reporting on executive officers in Allstate's annual Form 10-K.

	2021	2022	2023	2024
Number of executive officers	13	11	11	11
Number of female executive officers	4	2	2	2
% of executive officers who are female	31%	18%	18%	18%

Diversity, in its broadest sense, is also a key consideration in identifying and evaluating directors for nomination. Our Nominating, Governance and Social Responsibility Committee considers race, gender, ethnicity and other factors to ensure the Board reflects diverse viewpoints, backgrounds, skills, experiences and expertise.

	2021	2022	2023	2024
Number of Board of Directors	12	11	12	13
% of Board of Directors who are female	25%	27%	33%	38%
% of Board of Directors who are racially or ethnically diverse	25%	27%	33%	31%

*Data includes Allstate's chair, president and CEO. 2021-2023 data is as of year-end. 2024 data is as of April 1, 2024. View Allstate's current Board Leadership at [AllstateCorporation.com](https://www.allstatecorporation.com).*

Allstate also seeks greater opportunities for women in our workforce overall. Our recent stats:

	2021	2022	2023
% of women in all management positions	44%	40%	45%
% of women in junior management positions	50%	51%	50%
% of women in senior management positions	30%	30%	36%
% of women in management positions in revenue-generating functions	33%	46%	56%
% of women in STEM-related positions	40%	40%	42%
% of women in Allstate's workforce	57%	58%	55%

*Data includes Allstate U.S. employees.*

Our hiring strategy is straightforward: We select the best candidate for each role. In 2023, 40% of our workforce and 28% of our management team at Allstate U.S. was racially or ethnically diverse.

Removing barriers helps us find the best candidates. One way we did that is by eliminating degree requirements for jobs where having a degree wasn't actually important. In 2023, about 50% of our new hires didn't have bachelor's degrees, an increase of about 20 percentage points over the prior year.

## Compensation

To ensure fair and equitable compensation practices, every year we complete a pay equity analysis comparing the pay of men and women, and non-minorities and minorities in similar jobs. If we find statistically significant gaps, we correct them. External analyses found that Allstate's results compared well to benchmarks for companies of similar size and scope.

## Employee Impact Groups

Our people work at Allstate because it's more than just a job or a paycheck. It gives them opportunities. To be part of a community. To help others feel like they belong. To collaborate on business solutions. That's why Allstate supports and funds nine Employee Impact Groups (EIGs) and two Business Impact Groups (BIGs). EIGs are voluntary employee-led groups that promote inclusivity, diversity and equity. They strengthen communities through connection, inclusive support and career development. EIGs increase employee engagement and retention, expand networking and collaboration across divisions and help communities. Analysis from 2023 shows that EIG members at Allstate have a 25% higher promotion rate and 37% lower turnover than non-members. In 2023, 28% of our Allstate U.S. workforce participated in at least one EIG.

In 2023, employees created Native American Peoples at Allstate, the first new EIG since 2016. Native helps members with career development and celebrates Native American cultures. It also works to make Allstate a premier employer for Native American people.

## Inclusive Diversity Index

One of the reasons our employees are engaged is our focus on Inclusive Diversity & Equity. Employee engagement scores in the Inclusive Diversity Index are above industry benchmarks. For example, Allstate leads large private-sector organizations by 11 percentage points in employees' agreement with the statement "There is an equal opportunity for people to have a successful career at [Company], regardless of their differences or backgrounds."



## Allstate EIGs in the Community

We participated in three Pride parades and festivals celebrating LGBTQ+ acceptance and achievements in three U.S. cities and two countries. Over 150 Allstaters took more than one million steps on the parade routes, which generated donations to local nonprofits focusing on LGBTQ+ community resources and services.



## Inclusive Supply Chain

An inclusive supply model is crucial to our strategic success, and we've set out to double inclusive supply chain spending from the 2020 baseline by 2025. Allstate's relationships with suppliers are rooted in practical solutions, innovation and cost savings. We rely on suppliers to serve customers during a catastrophe or when our customers need support with home or car repairs. We encourage Allstate suppliers to hire diverse candidates and to increase the use of diverse suppliers in their respective supply chains (our tier 2 suppliers). For suppliers that need support launching diversity programs, Allstate's Sourcing and Procurement's Business Diversity team offers free consultation services.

### Highlights related to our supply chain spending:

	2021	2022	2023
% total supplier spending with diverse suppliers	6.7%	6.3%	6.8%
Number of diverse supply chain partners as of year-end 2023	2,200	2,300	2,110
Spending with top 10 diverse suppliers as a percentage of total annual diverse spending	32%	38%	25%
Total annual spending with diverse suppliers (\$M)	\$366	\$372	\$430

*Some historical data was updated to reflect improved data tracking and reporting processes.*

## Supplier Performance

Increasing spending with diverse suppliers is not just a procurement goal. Leaders and budget holders share that accountability. And Allstate's diverse and non-diverse supply chain partners have to deliver on their contractual commitments. Beyond that, our procurement process has to make it easy to include diverse suppliers. In 2023, we spent \$430 million with diverse businesses, only \$40 million short of the year-end 2025 goal of \$470 million.

An important aspect of our Sourcing & Procurement Solutions strategy is supplier performance. The Supplier Management team is responsible for governing and managing the metrics of over 200 enterprise strategic, and core suppliers each year. This helps mitigate third-party risks and keeps suppliers informed of strategic objectives that impact our global operations and how they support us. We also measure top suppliers' progress on the terms of their contracts.



Below are highlights of outcomes accomplished with our partners in 2023:

- **2nd Tier Diverse Supplier Reporting Initiative.** It's our version of paying it forward. We increased the accountability of our supply chain partners to make a bigger impact in the community. The 2nd Tier Diverse Supplier Reporting Initiative asks Allstate's top suppliers to report on their spend with diverse suppliers and holds them accountable for supporting Allstate's strategy and supplier diversity goals. In 2023, our reporting partners increased from eight suppliers to over 90, where they reported they spent \$6 billion globally with their diverse suppliers.
- **Partnership with Historically Black Colleges and Universities (HBCUs).** Allstate works with HBCUs to provide resources to students to launch and maintain successful businesses. In 2022, we hosted our first Collegiate Accelerator program and offered an internship to the winner of the student pitch competition. That winner participated in discussions with Fortune 50 global retailers to assess opportunities for product placement and distribution. We started our second cohort in fall 2023, with 30 students at Florida Agricultural and Mechanical University. Selected students learned how to navigate growth for early-stage ventures through targeted curriculum, personalized mentorship and peer-to-peer connections. This program is a collaboration with the [Women's Business Enterprise National Council](#), which supports women-owned businesses.
- **Partnership with National Association of Minority & Women Owned Law Firms (NAMWOLF).** Allstate partners with NAMWOLF as a sponsor. NAMWOLF, a nonprofit trade association, is a network of U.S. minority- and women-owned law firms. NAMWOLF helps law firm members develop strategic relationships with in-house counsel, other legal trade associations and corporations.

## Inclusive Supplier Partnerships

[Furlined](#) is a certified woman-owned advertising production agency representing directors whose work has earned worldwide awards and recognition. In 2022 and 2023, Furlined competed and won the opportunity to produce Allstate's Mayhem ads.

## Allstate Business Diversity Summit

In 2023, Allstate held its second annual Business Diversity Summit (formerly Supplier Diversity Exchange) with the theme Leading by Example: Accelerating Economic Impact in the Community. The virtual event had 1,642 registrants. During the event, 79 speakers delivered 45 sessions on a variety of IDE and supplier topics.

“

*I found the Allstate Business Diversity Summit to be one of the most powerful events I attended all year. The week of sharing is best in class and provides robust information and connections for employees, suppliers and corporate and government peers and partners. The agenda is so meaningful, and the entire event is very well produced and managed.*

**Pamela Prince-Eason, President,**  
*Women's Business Enterprise National Council*

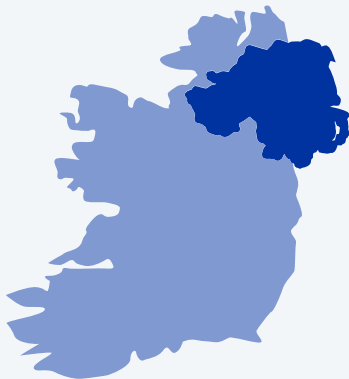
## Our Global Impact



### Allstate Canada

In 2023, Allstate Canada developed an Inclusive Diversity & Equity (IDE) strategy and multiyear roadmap (2023-28) focusing on IDE integration across four pillars: business practices, people, culture and community. Under Allstate Canada's business diversity focus, Allstate was invited to serve on the board of the [Canadian Aboriginal Minority Supplier Council \(CAMSC\)](#), helping us to identify diverse suppliers for inclusion in local sourcing opportunities. We also collaborated with [Indspire](#) (a national charity that invests in the education of First Nations, Inuit and Métis people) on the Building Brighter Futures Bursary program. It supports our commitment to the [Truth and Reconciliation Commission of Canada's Call to Action #92](#) by sponsoring the education of Indigenous youth to bolster the Indigenous workforce and create a larger talent pool.

We established an Employee Impact Group to help engage and retain LGBTQ+ employees at Allstate Canada, and better meet the needs of LGBTQ+ customers.



### Allstate Northern Ireland

In 2023, Allstate Northern Ireland (ANI) achieved Gold CORE accreditation for excellence in corporate responsibility and operating in a manner that is better for employees, the planet and the community. ANI was the first company in the United Kingdom and Ireland to earn the Gold [Diversity Mark](#) for building an inclusive and diverse workplace.



### Allstate India

Allstate India was awarded the 2023 Diversity, Equity and Inclusion Champions Award for Excellence in Women's Inclusion at the 15th [NASSCOM Global Inclusion Summit](#).

This award recognizes Allstate India's efforts in empowering women from underserved communities through the AllMama and Women's "I" Network group. AllMama offers new and expectant mothers physical, mental and transitional support to help them return to work. The Allstate Women's "I" Network is an Employee Impact Group that supports women by sharing knowledge and developing their professional skills.



# Community Impact



## Our Ambition

[The Allstate Foundation](#) works to make an impact across three pillars — empowering youth, ending relationship abuse and closing the racial wage gap — using trust-based philanthropy. This approach is unique among foundations and empowers those closest to the issues to use grant funds where they'll have the most impact. The Foundation also supports and encourages employee and agent volunteerism, and this work is complemented by Allstate's corporate giving.

## Our Progress in 2023

In 2023, the Foundation examined its work and priorities and refined its vision, goals and measurement. An increased focus on employee and consumer participation strengthened the Foundation's impact and achievements in each pillar.



# Giving

In 2023, The Allstate Foundation, Allstate employees and agency owners collectively donated \$49.6 million to help local communities in support of more than 6,900 nonprofits. Included in this amount is \$750,000 in emergency relief grants. Allstate employees’ pro bono service and flash consulting hours for nonprofits yielded about \$587,000 in in-kind donations.



## Allstate Insurance Company Corporate Giving

Corporate giving comes directly from Allstate's profits. It sustains and strengthens community partnerships, contributing to both community vitality and social impact.

### Chicago Main Street Small Business Grants

The Social Impact team partnered with five community development organizations on Chicago’s South and West sides to demonstrate Allstate’s continued commitment to closing the racial opportunity gap by investing in small businesses, which are known generators of wealth and job creation. In doing so, Allstate helps transform disinvested areas into centers for economic development and renewal. In 2024, this \$1.6 million investment will be awarded to small and medium sized businesses with \$25,000 individual grants.

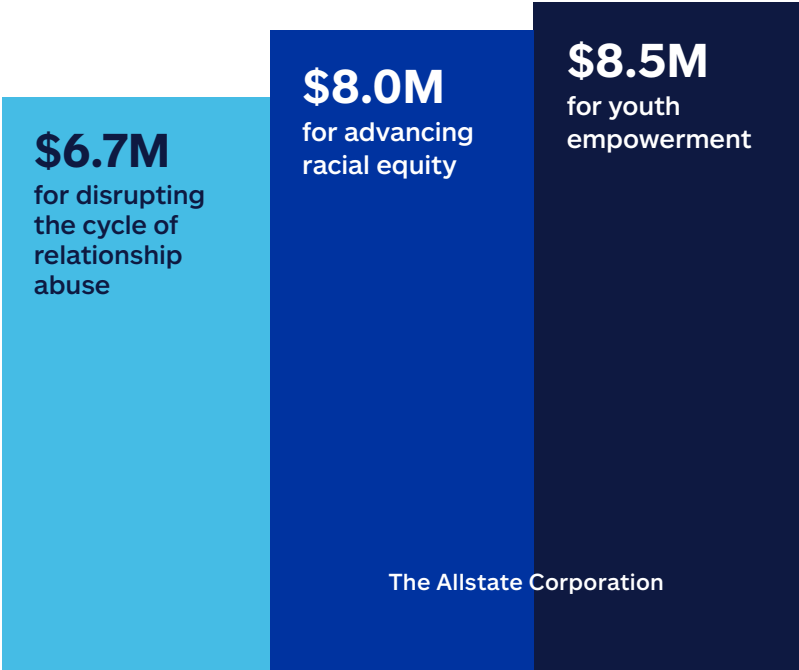
## Foundation Giving

Allstate has made a positive impact on communities through The Allstate Foundation for more than 70 years. The Foundation is halfway through a five-year plan to strengthen commitments to empowering people and communities so they can thrive. At the heart of this approach is developing bold ideas that address pressing social issues.

Whether it's disrupting the cycle of relationship abuse, advancing racial equity or empowering youth, the Foundation uses funding, thought leadership, capacity building and stakeholder participation to make a meaningful impact. The result is supported by data-driven strategies and scalable, sustainable, and measurable outcomes and efforts.

In 2023, the Foundation provided \$8.5 million in grants for youth empowerment, \$6.7 million for disrupting relationship abuse and \$8.0 million for advancing racial equity. Allstate employees and agents logged approximately 186,000 volunteer hours to support communities.

One of the ways the Foundation inspires employees and agents to help communities is by matching their donations dollar for dollar, up to \$1,000 per person per year. In 2023, the Foundation matched \$2.3 million in Allstate donations.



## The Allstate Foundation Pillars

The Foundation's pillars guide giving and underpin efforts relating to education and service to empower action for all stakeholders. In 2023, more than 1,100 employees took part in Foundation educational opportunities, and about 27,500 consumers took action as a direct result of the Foundation's efforts to educate and raise awareness.



### Youth Empowerment

The Allstate Foundation has been involved in the youth space since 2005. First through our teen safe driving program, and now with a program focused on empowering young people — and those who guide and teach — to serve and improve their communities. In 2023, the Foundation awarded \$8.5 million in grants to support youth empowerment.

Through its expertise, resources and platform, the Foundation supports a new generation of youth and young adult changemakers who are driven to improve communities and the world. Our approach:

#### Engage

We work with partners to create programs that enable youth to serve and create real-world impact in communities.

#### Equip

With partners, we develop and share resources that help youth learn what it takes to lead service on issues they care about.

#### Prepare

Young people are motivated to serve when they have a support system, which is why we provide adults with knowledge and resources that help them encourage youth to serve.

In 2023, the Foundation supported the [TIME for Kids Service Stars](#) program, which funded over 1,000 classroom service projects and reached more than 1 million students, increasing the number of youth age 5-14 serving their communities. In partnership with the [Center for Expanding Leadership and Opportunity](#), the Foundation provided 16 community colleges, universities and historically Black colleges and universities with funds for microgrants so students could create and lead their own social impact projects.

### Ending Relationship Abuse

In 2023, The Allstate Foundation awarded \$6.7 million in grants to disrupt the cycle of relationship abuse, giving survivors tools to achieve financial security while educating youth on healthy relationships and men of all ages on healthy masculinity to prevent abuse.

Whether you're a concerned loved one, an advocate trained to work with victims or experiencing abuse yourself, education is a powerful agent of change. The Foundation introduced five online learning modules for Allstate employees from the National Domestic Violence Hotline on the prevalence of relationship abuse, identifying warning signs and supporting survivors. About 400 employees on Allstate's National Catastrophe Team completed the modules during the pilot. In October 2023, the training was opened to all employees.



Allstate Human Resources and the Foundation launched a Domestic Violence Survivor Resource Guide for U.S.-based employees. It includes information on paid leave, wellness resources, confidentiality assurances and paycheck flexibility.

The Foundation awarded more than \$400,000 in wellness and respite grants and leadership development training to over 140 culturally specific organizations. This took place during the first-ever convening of all federally recognized domestic violence cultural resource centers, including with Foundation partners: [Esperanza United](#), [National Center on Violence Against Women in the Black Community](#) and [Asian Pacific Institute on Gender-Based Violence and Trafficking](#).

### Advancing Racial Equity

The Foundation is working to close the racial opportunity gap. By investing in nonprofits that help people overcome barriers to thriving-wage employment and entrepreneurs advancing equity through innovative workforce development strategies. In 2023, we increased access to workforce training and preparation programs, expanded advancement opportunities for diverse leaders and supported workplaces for entrepreneurs. The total contributions in 2023 for the racial equity pillar were \$8.0 million.

### Racial Equity Open Funding Opportunity

In 2023, the Foundation released a request for proposals for nonprofits creating racial equity and inclusivity in the green economy, worker-centric opportunities for frontline workers and the implementation of programs related to the American Rescue Plan and American Jobs Plan. We received more than 900 proposals that resulted in full funding for 19 organizations and honorarium funding for 189 organizations, with \$2.8 million in awards.

### Strengthening the Nonprofit Sector

The Foundation empowers social impact leaders, Allstate agents and employees through the following programs:

#### Flash Consulting Days

The Foundation hosted three flash consulting events in 2023. During these one-day skills-based volunteering events, employees and agents used their skills and expertise to help 47 nonprofits within the Foundation's pillars solve critical challenges. Cumulatively, Allstate employees and agents donated more than 1,400 hours of their time and expertise.

#### Nonprofit Leadership Center

Since 2014, The Allstate Foundation has partnered with the [Kellogg School of Management's Center for Nonprofit Management](#) at Northwestern University. The Foundation makes free development programs available to every nonprofit employee in the nation through the [Nonprofit Leadership Center](#). In 2023, more than 9,500 nonprofit professionals used it to develop their skills.



## Allstate Volunteering

In 2023, our employees and agents self-reported over 186,000 volunteer hours. Recognizing their specialized skills and the value they offer, we encourage and support skills-based volunteerism and pro bono programs. In 2023, more than 600 Allstaters participated. Through the Allstate Officer Nonprofit Board Program, officers contribute to the boards of nonprofits whose missions align with the Foundation's strategic social impact areas. In 2023, 63 nonprofit organizations benefited from Allstate officers serving on their boards.

### Helping Hands

The Helping Hands program inspires employee and agent giving and volunteering. Donations are matched dollar for dollar, and volunteering also earns financial support for the nonprofit. Allstaters who volunteer at least eight hours can apply for up to two grants per year of \$500 in the U.S. or £500 at Allstate Northern Ireland. We distributed more than \$2.4 million in individual and group Helping Hands Grants in 2023.

**2024 MLK Week of Action:** Over 5,000 Allstaters engaged with activities designed to educate and inspire action. Allstaters joined virtual skills-based volunteering, on-site volunteering, daily live broadcasts from locations important to Dr. Martin Luther King Jr.'s legacy and a discussion with the [Foundation and PolicyLink](#) to learn more about racial equity.

## Our Global Impact

In 2023, [The Allstate Foundation of Canada](#) launched its strategic plan for social impact, with a more targeted mission to foster an environment of inclusion, involvement and empowerment for those who face barriers to financial independence. The Allstate Foundation of Canada supported registered charitable organizations championing inclusive and accessible housing and disrupting the cycle of domestic abuse, and empowered Allstate Canada employees to make an impact in their community. Between The Allstate Foundation of Canada and corporate and employee contributions, a total of \$634,124 (U.S.) was donated to 724 charities, and Allstate Canada employees recorded more than 2,500 hours of volunteering.







# Planet

Climate Resilience

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Climate change is one of the defining issues of our time, and insurers have an important role to play. We incorporate climate risk analysis into product development and pricing. We advocate for climate resiliency, supporting everyone's ability to better endure weather events and protecting our business in the process. We recognize our own contribution to climate change. We work to mitigate the environmental impacts of our operations, supply chain and investments.



# Climate Resilience



## Our Ambition

Allstate has been working on climate resiliency for over 25 years. It's important to our customers and communities. Our ambition is to make insurance affordable and available in the face of more frequent and severe catastrophic weather. The changing climate directly affects Allstate's business: We've paid out \$30 billion to customers in the last 10 years as a result of catastrophe claims.

Allstate is addressing climate resiliency through a multi-faceted approach. Two ways of doing so are: (1) advocating for public policy solutions that maintain the availability and affordability of homeowners insurance, and (2) ensuring Allstate can provide our services into the future by doing our part to reduce harmful emissions threatening the health of the global climate. We also educate our customers and communities to help them be more disaster-resilient, as evidenced throughout this report.

## Our Progress in 2023

In 2023, we focused on key drivers of change, as described in [Our Integrated Approach](#). It focused on key external trends based on their potential to significantly change the insurance industry and competitive landscape over the next 5-10 years. One of these trends was climate change, which requires a holistic approach to risk management. Alongside this initiative, we made great progress toward integrating climate risk and resilience into our business and product offerings. We hired a dedicated climate scientist. Thanks to her work, Allstate has taken a step forward in understanding and incorporating broader and more advanced climate and weather data and analytics into business decisions.

We've made progress on several greenhouse gas reduction goals:

- Developed a roadmap for reaching net zero Scope 1 and 2 emissions by 2030.
- Designed a supplier engagement plan set to launch in 2024. It targets over 50% of Allstate's total reported emissions and represents a significant lever in Allstate's Scope 3 emissions reductions strategy.
- Developed a roadmap to establish a baseline and strategy for setting a financed emissions reduction target by 2025 (see more in the [Responsible Investing](#) section).
- Early in 2023, we developed a climate policy that covers relevant business practices relating to decarbonization and biodiversity.



## Climate Risk Management

Insurance, investment, reputational and regulatory risks are significantly impacted by climate change. Severe weather is increasing loss costs for homeowners insurance, climate change poses physical risks to real estate and infrastructure investments, and increased catastrophes are affecting employees and customers.

In assessing climate change and its substantive impact on the company, Allstate considers multiple factors such as the pace of change, potential impact and relationship to strategic goals. Allstate's risk analysis incorporates the full value chain, including financial, customer, employee, agent, reputation, regulatory/legal and technology impacts for the enterprise as well as individual business units.

To achieve financial and operational success, we have to manage climate risk.

We manage climate risk using our integrated Enterprise Risk and Return Management (ERRM) framework. It includes governance, processes, culture and activities that are performed on an integrated enterprise-wide basis, following our risk and return principles. Under the ERRM framework:

- The Insurance Risk and Return Analytics team and Pricing groups assess climate change information and update product leadership.
- The Responsible Investing Committee and Investments Risk Committee assess our portfolio for potential short- and long-term exposures to climate change.
- Enterprise Economics and Risk Analysis performs scenario analysis to assess potential impacts on capital from various scenarios, including weather-related ones.

External experts also help us understand future changes to the hazard component of catastrophe models prompted by climate change. Finally, we consider relevant emerging regulations in our risk assessment and risk management process to ensure that risks are managed properly.

At Allstate, several groups manage climate-related issues:

- The Board's Nominating, Governance and Social Responsibility Committee oversees Allstate's environmental, social and governance priorities and reporting.
- The Board's Risk and Return Committee oversees the effectiveness of Allstate's ERRM framework, governance structure and decision-making.
- Allstate's chief risk officer is responsible for the design and execution of Allstate's risk management program, including the management of climate-related risks.

Read more about Allstate's climate-related scenario analysis and results in our most recent [CDP report](#).

## Business and Biodiversity

Severe weather and climate change have negative impacts on biodiversity. More frequent and severe wildfires and associated smoke affect human health, water resources and wildlife. Snowstorms, flooding and heat waves affect water, energy and transportation infrastructure. Biodiversity loss has significant negative impacts. We include biodiversity considerations as part of our commitment to the global transition to a less carbon-intensive economy.



Allstate Northern Ireland achieved Gold Level in the Business and Biodiversity Charter, awarded by Business in the Community Northern Ireland, in partnership with Ulster Wildlife. The Business and Biodiversity Charter aims to inspire businesses to help protect and enhance biodiversity.

## Drivers of Change: Climate

We identified three near-term priorities to address climate-related risks to Allstate's business:

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

This initiative has supported enterprise development and Board-level oversight of Allstate's approach to climate resiliency. Recent enterprise progress includes:

- Organizational alignment around key initiatives.
- Formation of a group to work with legislators on climate-related issues.
- Early-stage discussion in support of an academic research center devoted to severe convective storms.
- Implementation of a model that assesses climate risk and facilitates analytics across our investment portfolio.

## One Example of Our Climate Expertise

In 2023, we hired a dedicated climate data scientist. Leah Birch holds a Ph.D. in applied mathematics from Harvard University and has expertise in climate research, high-performance computing and machine learning. With her help, we're incorporating broader and more advanced climate and weather data sets and analytics into our business decisions. Through a sophisticated understanding of climate and weather risk, we can balance business needs while protecting people living in high-risk areas.



## Advocating for Resiliency

The insurance industry has always been in the business of climate risk – and the stakes are higher today from coast to coast. We're working toward public policy solutions that address resiliency, remediation and sustainability. In 2023, Allstate leadership advocated on Capitol Hill in support of resiliency and increasingly stable housing markets.

We're advocating for the [Resilient AMERICA Act](#) to enhance [FEMA's Building Resilient Infrastructure and Communities \(BRIC\) program](#), which supports cost-effective mitigation projects for eligible state, local, tribal and territorial governments and certain private nonprofit organizations. The bill would also establish a residential retrofit and resilience pilot program within BRIC.

Our resiliency advocacy is informed by research from the [Insurance Institute for Business & Home Safety](#), a nonprofit organization that helps strengthen our homes and businesses by translating scientific learnings regarding structures into actionable steps that can prevent avoidable risk.

## Net Zero Commitment

To support the transition to a low-carbon economy, we're working to achieve net zero Scope 1 and 2 greenhouse gas (GHG) emissions by 2030. We'll set a separate target for Scope 3 emissions by 2025.

Over the past decade, we've reduced our Scope 1 and 2 GHG emissions through efforts including energy efficiency, reductions in our real estate footprint and increased use of hybrid vehicles in our fleet.

In 2023, we built on this history of GHG reduction and developed a detailed decarbonization strategy to meet our targets. Key reduction levers include increased energy efficiency, supply chain engagement, renewable energy credits and fleet upgrades to hybrid vehicles.

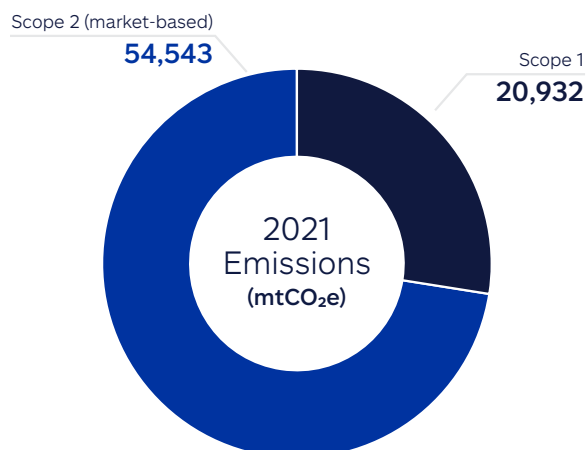
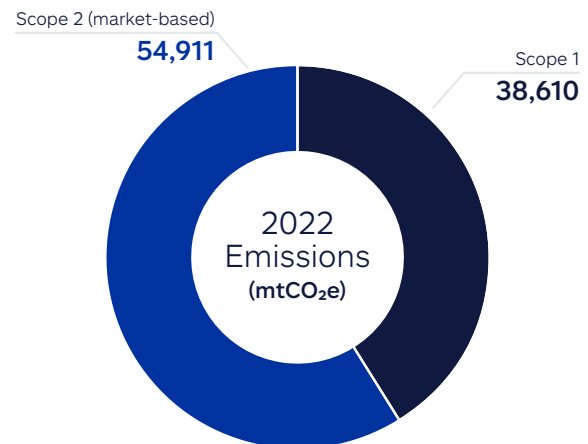
## Greenhouse Gas Emissions

To understand and mitigate our impact on the climate, we have measured our annual emissions since 2007 and began publicly reporting our inventory in 2010. See our 2024 CDP report, [once published](#), for measured and verified emissions from calendar year 2023.

The GHG emissions summarized in this report reflect the results of our 2022 emissions inventory. GHG inventory data was collected and emissions were calculated following ISO 14064-1, The Greenhouse

Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition); The Greenhouse Gas Protocol: Scope 2 Guidance; and The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard. The 2022 GHG inventory included all Allstate entities within the organization's operational control, excluding [SquareTrade Europe](#). SquareTrade was acquired in 2017 and began its sustainability journey in 2023. We plan to integrate emissions from SquareTrade Europe operations in future reporting years. We also obtained third-party independent verification of our Scope 1, Scope 2 and Scope 3 Business Travel category emissions. See our [CDP report](#) for more details about our GHG quantification methodology.

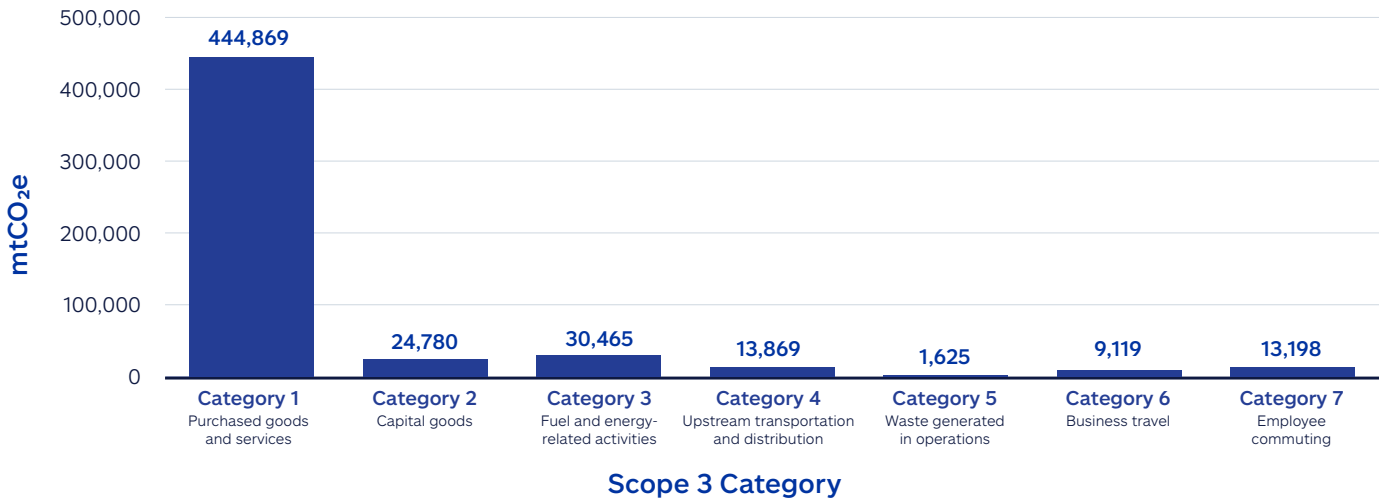
Allstate's overall emissions increased by about 5% between 2021 and 2022. This was primarily driven by the integration of National General into Allstate's Scope 1 and 2 inventory, following Allstate's acquisition of National General in 2021.



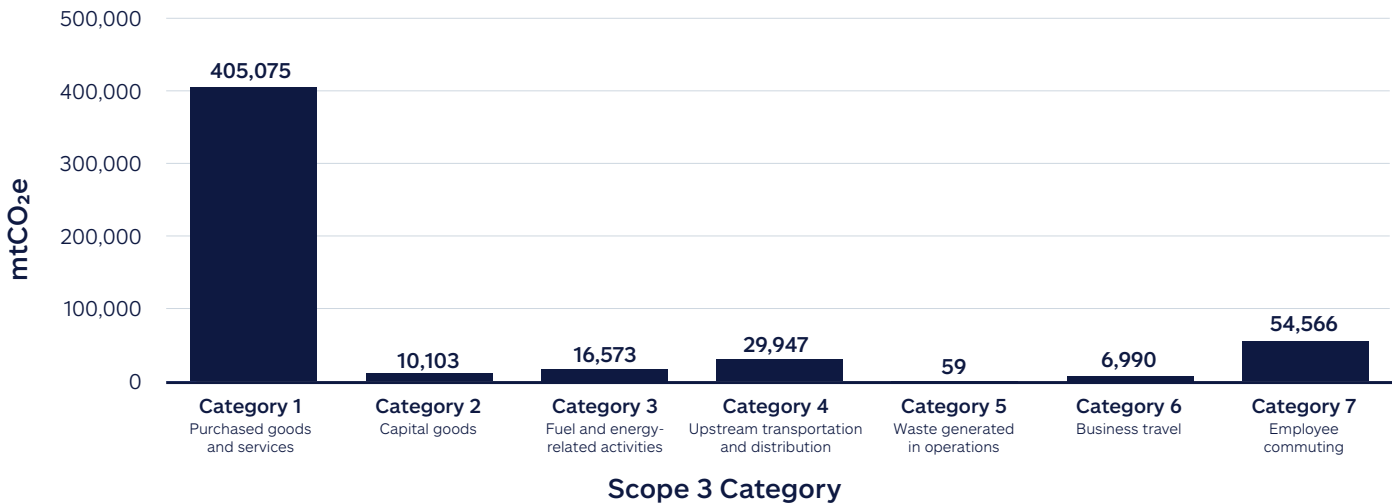


Allstate's Scope 3 emissions (excluding Scope 3 Category 15) totaled 537,925 mtCO<sub>2</sub>e in 2022 and 523,313 mtCO<sub>2</sub>e in 2021. Scope 3 emissions account for more than 85% of our total emissions, with the vast majority of these coming from two categories: purchased goods and services (Category 1) and capital goods (Category 2).

### 2022 Scope 3 Emissions (mtCO<sub>2</sub>e):



### 2021 Scope 3 Emissions (mtCO<sub>2</sub>e):



## Emissions Reduction Projects

In 2023, the Administration and Real Estate (ARE) and Sourcing & Procurement Solutions (SPS) teams implemented greenhouse gas (GHG) emissions reduction efforts.

### Real Estate Emissions Reductions

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. We reduced our total real estate footprint to 5.7 million square feet as of year-end 2023. A smaller real estate footprint reduces our operational energy and water usage, GHG emissions and waste production.

We further reduced energy consumption at several sites across the United States.

- **Hudson, Ohio:** We upgraded our rotary uninterruptible power system to a static one which saved about 587MWh per year and upgraded parking lot lights to LED bulbs.
- **Northbrook, Illinois:** We upgraded to a more energy-efficient boiler which saved about 21,000 therms/year.
- **Garden City, New Jersey:** We replaced fluorescent lights with LEDs, which saved about 5,500 kWh/year.

We pursue LEED-certified space in our real estate portfolio. LEED certification provides a framework for sustainable, healthy and equitable elements in building design, construction and remodeling. LEED certification helps recognize green buildings that have achieved high standards in these areas. In 2023, we occupied 542,000 square feet of LEED-certified office space.

Finally, Allstate aims to purchase renewable energy where possible. In 2023, at the Hudson, Ohio, facility, Allstate purchased renewable energy credits to cover 100% of the electricity used in that facility. That's about 14% of all electricity consumed by Allstate.

### Fleet Emissions Reductions

Our goal is to convert 100% of Allstate's fleet to hybrid vehicles by 2025. At the end of 2023, the fleet had about 2,000 vehicles, and 58% of those were hybrid. We're evaluating the extent to which it's feasible to have battery electric vehicles in the fleet.

## Supplier Engagement Strategy

Our Sustainable Procurement Program helps us mitigate corporate risks and align procurement decisions with environmental and social sustainability. In 2023, we developed a strategy to reduce emissions in our supply chain. That strategy will primarily target Scope 3 Category 1 (purchased goods and services) emissions, which represents about 80% of Allstate's total reported 2022 Scope 3 emissions.

The strategy includes developing capacity-building resources and supplier accountability mechanisms so we can track and measure emissions reductions. In 2024, we'll launch training on GHG emissions tailored to suppliers' climate maturity level to improve their environmental performance.

Over the past four years, we've asked key suppliers to disclose their environmental data via the CDP Climate Change questionnaire. [CDP](#) enables us to measure and manage suppliers' environmental impact and performance. Our supplier engagement strategy will enable more accurate CDP data reporting and improve data submissions.

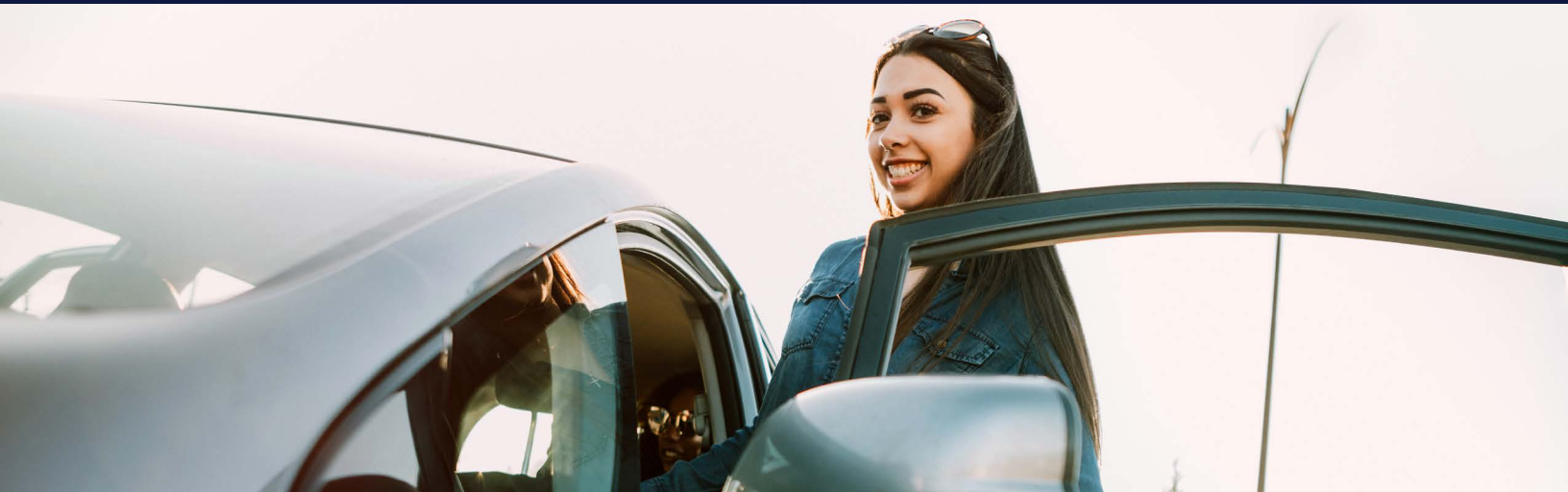
In 2023, 138 suppliers disclosed environmental data via CDP, an 88% response rate. This is 15 percentage points higher than the average response rate among all CDP Supply Chain members. We learned that 82, or approximately 60%, of suppliers report renewable energy purchases and 89, or approximately 64%, report climate-related targets. The estimated annual GHG savings from these suppliers is 26 million mtCO<sub>2</sub>e while the annual monetary savings from emissions reductions is \$2 billion.

And we're not done. We aim to significantly increase these percentages and develop further key performance indicators with the formal launch of our supplier engagement program in 2024.

## International Collaboration for Sustainable Procurement

When suppliers' environmental performance is measured and reported, we can see the impact of our supply chain and make improvements. In 2023, we saw an opportunity to align our sustainable procurement practices globally. The U.S.-based Sourcing & Procurement Solutions team worked with Allstate India and Allstate Canada to share sustainability best practices and align contractual sustainability language. In 2024, we'll do the same with Allstate Northern Ireland.





## Share and Repair

To support the transition to a circular economy, we offer products and services that help customers “share and repair.” When customers share resources or choose to repair broken items, that reduces the need for new products in the market.

[Avail](#) is a car sharing service with every trip protected by Allstate and 24/7 roadside assistance. Avail owns fleet vehicles and also handles peer-to-peer car sharing. In 2023, 47% of Avail's bookings were fulfilled by the peer-to-peer program. This has multiple benefits: There are potentially fewer cars on the road because people can easily and safely borrow a car rather than buying one, and the vehicle owner who shares their car is guaranteed weekly earnings of at least \$50 (after meeting [Avail's guidelines](#)) when they're not using their car.

We team up with [Safelite](#) to provide Allstate customers with windshield replacements and recycle their old ones. Safelite removes the damaged windshield, separating the glass and vinyl interlayer, which is then converted into new products such as fiberglass insulation and carpet backing. Through this partnership, Allstate recycled 4,700 tons of glass during 2023. We're helping reduce waste, conserve energy and create jobs.

We reduce our e-waste through a partnership with [HOB International Inc.](#) HOB is a women-owned business certified by the Women Business Enterprise that disposes of IT and mobile assets from all Allstate facilities nationwide. They prevent the exposure of Allstate's proprietary and sensitive data through fully traceable data destruction. HOB helps Allstate reduce greenhouse gas emissions by repurposing and recycling electronics. The energy savings in 2023 is equivalent to powering 4,235 U.S. households with electricity for one year. Air emissions were reduced by 38,703 mtCO<sub>2</sub>e. But that's not all. The precious metals recovered during recycling can be reused.

## What do trees have to do with cellphones?

SquareTrade Europe joined forces with [WeForest](#) to give customers a reason to repair their devices rather than replace them. Through SquareTrade's Grow A Tree program, when a customer chooses to repair their device, WeForest plants a tree on our behalf. To date this has increased the percentage of customers choosing to repair their devices by as much as 13% in some markets. This means over 1,800 more customers are choosing to repair, which led to over 27,000 trees being planted at Mount Mulanje in Malawi. So that's what trees have to do with cellphones.



## Our Global Impact

Allstate's action against the climate crisis is global.



### Canada

In 2023, Allstate Canada made climate part of its strategic planning and set climate goals aligned with regulatory requirements. As a direct result, we updated homeowners policies in Canada to give customers a \$2,500 reimbursement for expenses incurred to upgrade to more weather-resistant roofing and siding material after a climate-related loss. In 2024, we'll expand the program to help customers take proactive measures to mitigate climate or wildfire loss after an official evacuation readiness alert has been issued. We are also integrating climate-related scenarios into our capital stress testing and capital management plan and working closely with stakeholders, such as building facilities, vendors, etc., to reduce emissions in our goal to be a climate-minded organization.

### SquareTrade Europe

[SquareTrade Europe](#) created a Solutions & Sustainability team in 2023. It guides sustainability strategy and works across business units to foster innovation that will deliver business value and align with sustainability goals. Last year, this team completed its first greenhouse gas inventory as part of Allstate's broader efforts to reduce emissions.

### Northern Ireland

Allstate Northern Ireland has been reducing emissions across its offices since 2018. By the end of 2023, we reduced our Scope 1 and Scope 2 greenhouse gas emissions by 46%. In 2023, we implemented new energy-reducing measures like more efficient run times on our heating, ventilation and air conditioning systems. As a result, we achieved 30% energy reductions in Belfast, compared to the 2018 baseline.

The [Northern Ireland Environmental Benchmarking Survey](#) awarded us PLATINUM level for the first time. We're the only business to achieve this level in the Information and Communications Technology sector.



### India

In 2023, Allstate India created its own ESG Steering Committee to support the enterprise ESG Steering Committee. Allstate India began calculating a country-specific greenhouse gas inventory and developed a net zero roadmap that complements the enterprise net zero strategy. Allstate India anticipates confirmation of ISO 14001:2015 certification for environmental management systems in early 2024. This globally recognized certification assures environmental and legal compliance with regulatory requirements, integration of environmental concerns into business management, enhanced efficiencies and reduced operating costs, and a focus on supplier accountability for high-level environmental performance. Allstate India was awarded Sustainability Leader of the Year at the [2023 Corporate Real Estate & Facility Management Masterstroke awards](#).





# Prosperity

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We're experts in managing risk and return. For customers, employees, shareholders and communities. Allstate's reputation and success depend on it. Our responsible investments earn attractive risk-adjusted returns and have societal and environmental benefits. We keep customer data private and secure while responsibly using it to improve customer service. We have robust resources, training and governance guidelines that ensure we maintain ethics and integrity in all business processes and business relationships.

# Responsible Investing



## Our Ambition

Most consumers know us as one of America's largest insurers, but we're a lot more. Another way we provide security and protection for customers is through our activities as an institutional investor. We manage a \$66.68 billion investment portfolio, and we know that sustainability factors can influence investment performance. Allstate's investment analysis and decision-making processes consider these factors along with our values.

Allstate makes careful decisions about risk every day in our insurance underwriting business, and we consider risk just as seriously in our investments. As responsible investors, we consider sustainability a component of our comprehensive investment risk assessment. We have developed teams, policies, training and goals to guide Allstate investment decisions accordingly. We will increase the portion of our portfolio allocated to responsible investments over the next three years, actively evaluate how sustainability issues influence investment performance and pursue investment strategies that capture additional risk-adjusted return from the transition to a lower-carbon economy.

## Our Progress in 2023

In 2023, our team took meaningful actions to incorporate climate risk considerations into our investment process. We expanded our dedicated Impact Investing team and continue to increase collaboration across the organization. This supports deployment of attractive risk-adjusted investments and Allstate's desire to deliver strong investment results.

In 2023, we made progress on several responsible investing goals:

- **Further the groundwork to establish a target for financed emissions by 2025.**

- We developed roadmaps for establishing a baseline and strategy for financed emissions. We expanded data coverage to include more private firms and used an estimation process where data is unavailable. Lastly, we tracked emissions reductions on an absolute basis and established an initial financed emissions inventory for applicable asset classes in our public and private portfolios.

- **Advance climate risk and return framework.**

- We implemented a climate risk analytics tool to measure transition risk and temperature alignment. This tool provides us the ability to stress test and accelerate our climate risk and return framework to integrate the [Network for Greening the Financial System \(NGFS\)](#) climate scenarios into risk analyses.

- **Expand responsible investing capabilities and add commitments.**

- \$201 million to climate-related investment
- \$211 million with diverse sponsors
- \$203 million in low income housing tax credit funds

- **Enhance processes for responsible investing.**

- We reassessed our approach and aligned our policy, as appropriate, with credible frameworks, such as the [UN Principles for Responsible Investment](#), and offered training on the policy to the Portfolio Management team. We've enhanced our private asset and external manager diligence processes and will make more updates in 2024.



## Accountability

To ensure accountability, multiple tiers of leadership play a role in our responsible investment approach. This includes the Board, relevant Board committees, the ESG Steering Committee, the Sustainability team and the Responsible Investing Committee. Allstate Investments' Management Committee oversees the Responsible Investing Committee (RIC).

Allstate's Responsible Investing Committee includes representatives from a cross-functional group drawn from Allstate Investments, with the chairperson of the RIC also a member of Allstate's ESG Steering Committee. The RIC monitors sustainable investing trends, evaluates sustainable investing best practices, supports the work of the ESG Steering Committee, and periodically reports about its activities to other senior leaders within Allstate. In conjunction with Allstate's Investments Risk Committee, the RIC monitors our investment portfolio for potential exposures to climate change risks or impacts. You can find more information about these risks in the [Climate Resilience](#) section.

## Policies and Practices

Since its adoption in June 2020, our Responsible Investing Policy has outlined our expectations for investment professionals to incorporate and consider environmental, social and governance factors, subject to client investment policy requirements, when making investment decisions and requests that our external money managers do the same. We revisit the Responsible Investing Policy each year. The policy applies across all asset classes in our investment portfolio, and covered 100% of our active, passive and externally-managed assets under management in 2023.

Where appropriate, we consider incorporating environmental, social and governance factors into our decision-making process for investments in order to reduce risk and enhance impact while delivering attractive risk-adjusted financial returns. For example, when making direct investment decisions, our team considers available data, pertinent ESG-related factors, and when assessing our external money managers we consider how they evaluate those factors in their investment selection and review process. We classify sectors based on exposure to environmental risks, including climate change, and incorporate environmental risks in the sizing and maturity profile of our positions. Sectors with higher potential exposure are primarily invested in through public markets, providing flexibility to adjust exposures. We classify commercial real estate investments based on their modeled exposure to catastrophe risks and incorporate these risks in our underwriting and insurance practices.

Our team focuses broadly on the following factors for public and private investments:

### Environmental

For example, those identified by [Sustainability Accounting Standards Board \(SASB\)](#), such as greenhouse gas emissions, air quality, energy management, water and wastewater management, waste and hazardous materials management, ecological impacts and physical impacts of climate change.

The immediate business impacts of environmental factors such as biodiversity and sustainable water management, where applicable.

### Social

Consideration of social factors such as human rights and community relations, customer privacy, data security, access and affordability, product quality and safety, customer welfare, selling practices, labor practices, employee health and safety and employee diversity and inclusion.

### Governance

Where appropriate, assessment of supply chain management, business model resilience, product life cycle and design, business ethics, competitive behavior, regulatory and legal environment and risk management.



In addition to the factors above, Allstate follows specific responsible investing processes for the following asset classes:

- **Internally Managed Fixed Income Assets:** Third-party ESG ratings, where available, are presented in credit analysis templates, which are the standard output of our bottom-up fundamental analysis.
- **Externally Managed Public Fixed Income and Equities:** We consider the structure of the manager's ESG processes and the existence and effectiveness of any ESG and responsible investing policies as part of the diligence process.
- **Private Assets:** For new fund investments, portfolio managers request sponsors' or general partners' ESG/sustainability policy as part of the diligence process. For new direct investments, portfolio managers address material ESG factors in their underwriting process. For existing investments, portfolio managers identify and annually review those investments meeting responsible investing characteristics. For new low-income housing tax credit (LIHTC) fund investments, Allstate also requests that sponsors provide ESG key performance indicators (KPIs) as part of the diligence process. Allstate may request side letter provisions to ensure sponsors will provide regular reporting on key KPIs that are relevant to Allstate.

We also capture KPIs for certain asset classes. For example, for LIHTC, we track the number of housing units in our portfolio, the proportion of those in majority minority communities, additional social services

provided at the affordable housing buildings and more. We will expand KPI collection for our investments in the future through a platform partner for responsible investing analytics.

We expect our investment professionals to refrain from making certain types of investments that are fundamentally inconsistent with Allstate's values or may result in significant sustainability-related risks and to consult with the Responsible Investing Committee as needed on any related asset selection decisions. Allstate does not invest in companies whose primary business is civilian firearms, or majority ownership interest or control of companies that (either directly or through a subsidiary) operate a coal or other mine or provide services to those mines. In addition to the Responsible Investing Policy, our Investment Management Guidelines state that investment managers' analyses and decision-making should consider sustainability issues alongside Allstate's values and reputation when assessing the risk/return trade-off of an investment. Investment professionals are expected to act in accordance with the letter and the spirit of the guidelines, subject to client investment policy requirements.

Our investment professionals participate in annual training, as outlined in the Responsible Investing Policy. We incorporate tools for sustainability and climate-related data into our processes. In 2021, we began using ESG data feeds and analysis from expert research firms to assess our assets, exposures and ESG risks. By the end of 2025, we will establish a target for Scope 3 emissions, including financed emissions. You can read more about Allstate's commitment to net zero emissions in the [Planet](#) section of this report.



Allstate is helping the world transition to lower carbon emissions and adjust to a warmer future.

## Our Responsible Investments

Allstate has historically incorporated sustainability considerations broadly across the entire portfolio. As of Dec. 31, 2023, we managed a \$66.68 billion investment portfolio, with \$7.7 billion (11% of our portfolio) in responsible investment categories such as education, sustainability, affordable housing, health care, green bonds, diverse sponsors, natural capital and renewable investments, compared to \$7.5 billion (12% of our portfolio) as of Dec 31, 2022. We expect to increase the year-end 2023 \$7.7 billion allocation to responsible investments over the next three years. We have established climate change and Inclusive Diversity & Equity as two pillars important to our investing approach while we continue to meet stakeholder need by having a positive financial impact.

### Responsible Investment Pillar:

#### Climate Change

Allstate is helping the world transition to lower carbon emissions and adjust to a warmer future, not only by reducing our own emissions but also by making investments that support climate change mitigation and adaptation. Improving climate resiliency directly benefits Allstate’s business resiliency as an insurance provider. Our climate-related investments fall into three categories:

##### Decarbonization/ Adaptation

- Alternative fuels
- Carbon capture, storage & markets
- Circular economy
- Ag-tech, sustainable materials, etc.

##### Energy Transition

- Renewables
- Energy storage
- Grid expansion and optimization

##### Natural Capital

- Farmland
- Timberland
- Water

We’re expanding capabilities and adding commitments for climate-related investments, with \$201 million committed during 2023. The total carrying value of investments in climate change decarbonization, energy transition and natural capital categories was about \$2.4 billion as of year-end 2023. This amount also includes green bonds and municipal bonds that are not captured in the category table above.



## Responsible Investing in Action

We'd like to highlight two of our investments, Recover and Little Leaf Farms.

[Recover](#) is a materials science company that's redefining and building a more sustainable future for the apparel industry. It uses proprietary technology and data-driven processes to provide low-impact, high-quality recycled cotton fiber to brands like Revolve, Fruit of the Loom, C&A and Primark. Each kilogram of the recycled fiber saves up to 2,116 liters of water and 1.73kg of global warming potential CO<sub>2</sub>e greenhouse gases compared to conventional cotton. Our investment in Recover will help them expand production capacity.

[Little Leaf Farms](#) produces greenhouse lettuce. Its agricultural practices result in 90-95% more water-efficient crops and a reduction in transportation emissions. Our investment will help fund the expansion of their greenhouse facilities. In both of these cases we invested with the expectation of making an economically attractive risk-adjusted return.



### Responsible Investment Pillar:

#### Inclusive Diversity & Equity

Allstate approaches investing in IDE by being intentional about both who we invest with and what we invest in. Allstate recognizes the importance of investing in talent and providing equal opportunities for underrepresented groups in the financial industry. We seek to capture the innovative perspectives and insights that diverse teams bring to the investment process by partnering, where appropriate, with fund sponsors where at least 50% of the sponsor or asset manager is owned by minority, woman and/or veteran business enterprises (MWVBEs), to generate attractive risk-adjusted returns. New commitments with diverse sponsors and managers during 2023 were \$211 million, exceeding our goal of \$200 million. Our total trading volume in 2023 with MWVBEs was 3%, exceeding our goal of 2%.

Since 1997, Allstate has invested capital in low-income housing tax credit (LIHTC) funds which address the affordable housing shortage in the United States by attracting private investment into the development or rehabilitation of rental properties for low-income households. As of Dec. 31, 2023, the book value of Allstate's diversified portfolio of 113 LIHTC funds was approximately \$1.4 billion, with about \$2.6 billion in invested equity since 2007. Of the total book value, \$203 million was added in 2023.

We invest in select products that ensure quality education at all levels, in services that ensure quality healthcare and in the development of telecommunications infrastructure that helps reduce the digital divide in less developed countries or areas.

The carrying value of investments provided to benefit communities in categories such as affordable housing, education and healthcare was approximately \$5.3 billion as of year-end 2023.



# Privacy and Information Security

## Our Ambition

Allstate's data privacy and information security strategies are foundational to protecting our customers and delivering Our Shared Purpose. Allstate has built robust privacy and security programs to ensure compliance with applicable laws in a changing regulatory environment, while encouraging innovation and supporting strategic business goals and initiatives.

Allstate respects the privacy of all individuals. We're transparent about the way we collect, use and share personal information (PI), and we work hard to find the balance between enabling PI use and managing it. Privacy differentiates us from competitors and enhances customer experiences, choices and protections.

Allstate Information Security protects customer and employee data from being lost, stolen or ending up in the wrong hands. Using the latest guidelines, standards and best practices, we established technical controls, policies and processes to prevent, detect and respond to cybersecurity risks.

## Our Progress in 2023

In 2023, our Enterprise Privacy Program evolved to address global enterprise data strategies and a highly dynamic regulatory environment:

- We developed guidelines for the responsible use of generative artificial intelligence.
- We evolved and are redesigning the privacy impact assessment process.
- We enabled additional privacy-enhancing technology to help the business comply with legal and program requirements.

Our Information Security programs also made progress:

- [Cyber Safety for Kids and Cyber Safety for Older Adults programs](#) included 10,026 kids (about a 2.4x increase from 2022) and 667 adults (a 14% increase from 2022). We've delivered trainings across the lifetime of all Allstate Cyber Safety programs to over 30,000 individuals worldwide.
- We expanded Allstaters' understanding of phishing and how to report it, reducing our human risk factor in preventing a breach.
- We held events to increase employees' awareness of security threats and trends. Of those who attended, 99% said they learned something new and better understand how cybersecurity plays a role in their work.

## Keeping Information Private and Safe

### Enterprise Business Conduct and the Enterprise Privacy Program

Allstate's Enterprise Business Conduct team provides management and oversight of the Regulatory Compliance, Privacy and Ethics programs. This includes strategic guidance on these programs to business partners and regular reporting to executive management and the Board on trends and the health of the programs.

Our Privacy Policy applies to all operations, including suppliers. Our mechanisms and disciplinary actions are embedded in group-wide risk and compliance management. We assess privacy and monitor processes regularly, which helps mitigate privacy risk as we consider new suppliers, products or new use of personal information. We also have a centralized process for consumers to submit data access, deletion and correction requests.

As a part of Allstate's normal operating process, all privacy incidents are investigated and analyzed according to applicable law. If required, Allstate notifies the individuals and/or regulators and responds to any regulator inquiries following an incident.

### Management and Disposal of Personal Information

We maintain an inventory of personal information (PI) data elements that is updated regularly, which helps identify applications and systems containing PI and keeps a record of applications/data stores containing PI. Allstate assigns a data classification to each PI element, which indicates its sensitivity level.

Allstate retains PI only as long as necessary for reasonable business purposes and disposes of PI after that. Allstate uses technology solutions for PI disposal and monitors for adherence to our internal retention and disposal requirements.

We have policies for the retention, deletion and third-party sharing of individuals' data, as well as a detailed document retention schedule, as part of our Information Governance Program.

## Information Security Oversight, Policies and Systems

The Allstate Board's Audit Committee oversees the effectiveness of our internal controls over the cybersecurity program as well as our disclosure controls and procedures, financial reporting and management's risk control framework.

Jeffrey Wright, senior vice president and chief information security officer (CISO) for The Allstate Corporation, has more than 20 years of information security leadership experience and is responsible for the development and execution of the security strategy that protects Allstate's information from external and internal cybersecurity threats. He regularly updates the Audit Committee and Allstate Board on Information Security Program status, cybersecurity risk management, the control environment, emerging threat intelligence and key risk and performance measurements. In addition, the CISO updates senior leadership, the Audit Committee and the Allstate Board. Enterprise Risk & Return Management's technology risk and return and compliance team provides second line oversight and challenge under the leadership of the chief risk officer.

Our Information Security Council (ISC) governs the cybersecurity framework at Allstate with delegated authority from the Enterprise Risk and Return Council. The CISO chairs the ISC, with senior management representation from across the company, including privacy, legal and technology. The ISC monitors, makes mitigating decisions about and escalates information security risks that are outside the company's established risk tolerance. The decisions and escalations of the ISC are guided by the Allstate Information Security Strategy and the [National Institute of Standards and Technology \(NIST\) Cybersecurity Framework](#). Allstate uses a risk-based approach in establishing our information security program, which maps to both the NIST Cybersecurity Framework and ISO 27001, with support from other standards and best practices.

Under the leadership of the CISO, Allstate's Global Security Fusion Center oversees security event monitoring, incident response, user behavior analysis and threat hunting. This team maintains the confidentiality and integrity of information pertaining to customers, employees and the business in compliance with our policies and standards. The team has an incident and breach response plan that includes proactive and reactive measures to protect customer data. The preventive, detective and corrective controls implemented to protect



our data and systems minimize the attack surface by ensuring that people only have access to the level of information required to do their job, in following with the principle of least privilege and industry standards.

Our Information Security Governance, Risk and Compliance team analyzes our enterprise cyber risk strategy and oversees risk management by establishing an enterprise-wide cybersecurity policy framework and standards. They ensure we comply with cybersecurity laws and regulations.

Allstate Information Security works with partners across the company, including the Internal Audit team. In 2023, Heather Mejia became Allstate's newest chief audit executive and senior vice president of internal audit. She reports to the Audit Committee and directs internal audit and advisory activity, providing extensive oversight of our information security program in collaboration with Enterprise Risk and Return Management and external partners.

We audit our information security policies and systems regularly. In 2023, we did five external and four internal audits.

## Protecting Data Outside of Allstate

We're taking precautions to ensure we effectively manage privacy risks when working with vendors.

Our goal is to efficiently manage privacy risks in using vendors and other third parties, including vendors that operate outside the U.S. Our supplier contracts contain standard privacy language and each business is responsible for supplier management and monitoring. We assess vendors to understand why personal information is shared with the supplier, whether it's needed and the privacy risks of the engagement.

Our Information Security group governs, monitors and verifies data protection. They have a Security Governance and Assurance team that assesses third-party security risks.



## Training Employees to Report Suspicious Emails

To reduce our human risk factor, we train employees to identify phishing emails and report them. Allstate employees reported simulated suspicious emails at a rate of 51%, well above the insurance industry average of 21%. Allstate's click rate on simulated phishing emails was only 4%, substantially lower than the average rate of 10% for all insurance companies.



# Ethics and Integrity



## Our Ambition

Integrity is at the heart of who we are and how we operate. That's how we protect our stakeholders and our reputation. Yes, we comply with laws, regulations and ethical conduct guidelines. Of course we do. And we maintain our focus on customers and business objectives. But here's the thing. Any success we achieve has to be grounded in unassailable ethics and integrity. And we have those. We've even been recognized for them. But we don't uphold strong ethical standards for the awards. We do it because of our ambition: To do good and to be good.

## Our Progress in 2023

In 2023, Enterprise Business Conduct (EBC) worked with internal partners to find legal and compliance solutions that fit our business models and advance progress toward goals while upholding Allstate's strong ethics, compliance and privacy standards. Through EBC programs, ethics and integrity components are integrated into hiring, promoting, incentivizing and overall discipline. 100% of active global employees completed our 2023 annual ethics and compliance training.

Allstate was also recognized again by [Ethisphere](#), a global leader in defining and advancing the standards of ethical business practices, as one of the 2024 World's Most Ethical Companies. We've been recognized for ten consecutive years and were one of two honorees in the Property & Casualty industry.

## Our Ethics and Values

Allstate's chief compliance officer reports to the chief ethics and privacy officer and oversees the Ethics, Regulatory Compliance and Privacy programs. The Ethics Program protects Allstate's high ethical standards in business practices and values-based leadership. It's built on a strong foundation of our values: Integrity, Inclusive Diversity & Equity and Collective Success. It ensures that Allstate leadership and teams follow the Global Code of Business Conduct by:

- Establishing and monitoring standards and procedures.
- Educating employees.
- Leading the Speak Up and Annual Code Certification processes.

Our annual employee surveys measure the ethical health and culture of the enterprise. Responses are tracked and analyzed for trends and root-cause analysis.

The Regulatory Compliance Program ensures we follow laws, rules and regulations, which supports our operating model, serves customers with protection and rewards stakeholders invested in our company. This program operates in a decentralized model with dotted-line reporting to Enterprise Business Conduct (EBC). Individual regulatory compliance risks are owned by business area officers and cover a range of compliance functions, such as Sarbanes-Oxley, market conduct exams and statutory reporting — not strictly regulatory compliance. EBC monitors compliance issues and reports quarterly to leadership.

We manage cultural risks using our integrated Enterprise Risk and Return Management (ERRM) Framework, which includes governance, processes, culture and activities performed on an integrated, enterprise-wide basis, following our risk and return principles. Under the ERRM framework, our Culture Risk and Return team monitors, measures and assesses internal talent-related metrics and updates leadership.

## Code of Conduct

We foster a respectful and inclusive workplace and cultivate an environment of respect. Allstate's [Global Code of Business Conduct](#) prohibits unlawful harassment, discrimination or retaliation in the workplace by anyone: employee, vendor, intern, volunteer or contingent worker. We maintain a workplace free from sexual and non-sexual harassment, including discrimination, sexual advances, verbal or physical harassment, abuse and intimidation. Employees who engage in these behaviors can be fired.

The Global Code of Business Conduct also outlines Allstate's commitment to protecting confidential and restricted information. This commitment pertains to many types of data, including customer data.

## Human Rights

We don't look the other way when we see human rights abuses like child labor, slavery or human trafficking. Allstate's Global Code of Business Conduct requires that we respect individual human rights and that our business partners do the same. We protect human rights as an employer, purchaser of goods and services, investor and provider of insurance products and services. By supporting business partners that share our values, and by pushing for fairness and equality wherever we operate, we can be a positive influence for workers everywhere.

Here's how we respect and protect human rights:

- Comply with all local and international labor laws where we do business and operate, often going beyond their requirements.
- Perform due diligence to find business partners that share our values and commitment to protect human rights and improve working conditions for all.
- Engage in site inspections and other activities to confirm our partners are upholding their commitments to safe and fair working conditions.

To protect our people and vulnerable groups, we utilize our due diligence risk identification process for our employees, women, local communities, suppliers, Indigenous people and migrant workers. This process covers risk identification in:

- Our operations.
- Our value chain or other activities related to our business.
- New business relations (mergers, acquisitions, joint ventures, etc.).



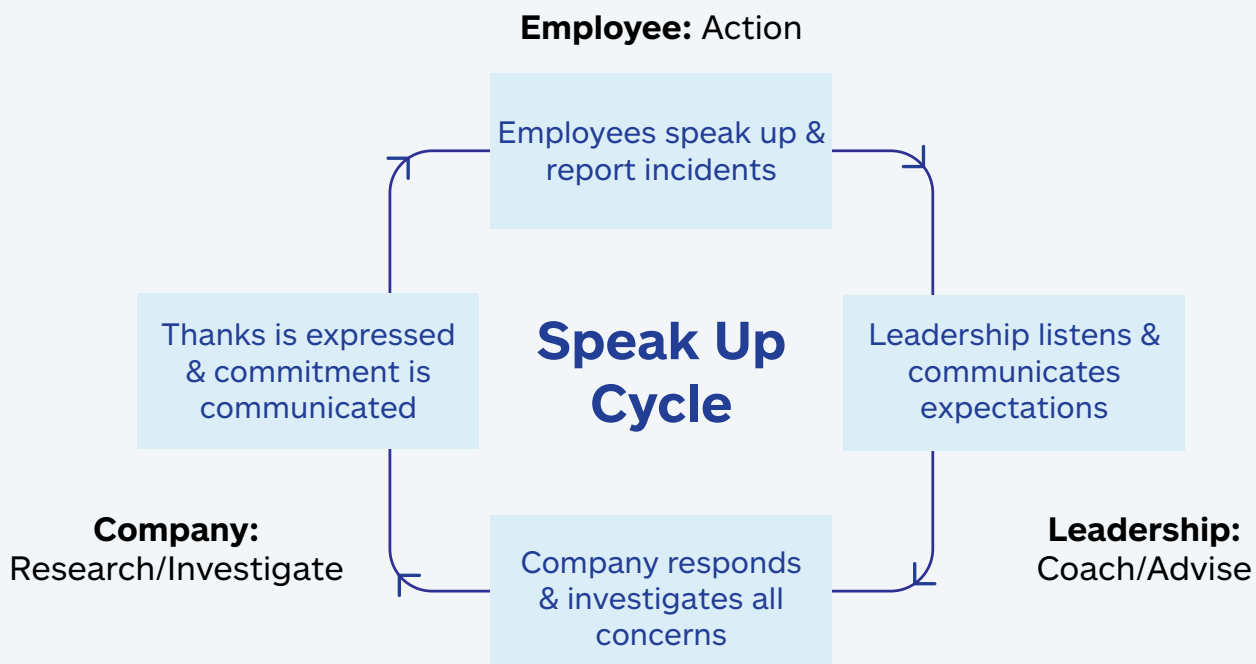
We also perform a due diligence risk identification process to ensure freedom of association, the right to collective bargaining, equal pay and anti-discrimination. We prevent slavery or human trafficking from taking place within our business or supply chain through these actions:

- Incorporating affirmations against human trafficking, forced labor and child labor into the Allstate Global Code of Business Conduct as well as the Supplier Code of Ethics.
- Complying with all local and international labor laws where we do business and operate, often going above and beyond their requirements.
- Performing due diligence on current and potential business partners to ensure suppliers share our approach to human rights and working conditions.
- Expecting suppliers to comply with all applicable safety and health laws and regulations in the countries where they operate.
- Requiring all employees to complete an annual compliance confirmation of the Global Code of Business Conduct.

- Providing a phone hotline and electronic reporting mechanism, including an anonymous option, to every employee who has a concern.
- Enforcing a strict anti-retaliation policy to protect employees who report a concern.

We create an environment where employees feel confident and supported to speak up when they have a concern, whether about their own wellbeing or the wellbeing of the business. We make sure they know how to raise concerns, and we investigate all claims. In 2023, employees across Allstate U.S., Answer Financial, Allstate Protection Plans, Allstate Identity Protection, Allstate India, Allstate Canada, Allstate Northern Ireland and National General reported through the “Speak Up” process about 1,450 times.

Two categories of reports are referred to the chief legal officer (CLO) for investigation: Concerns about a possible violation of the law and complaints about disclosure, accounting, auditing or other financial or reporting practices. The CLO may refer these to the Audit Committee. Allstate policy prohibits anyone, co-workers or managers, from retaliating against an employee who raises an issue. Retaliation may result in discipline, including termination.



## Supplier Code of Conduct

We require all suppliers to do business according to the [Allstate Supplier Code of Business Conduct](#), which includes acting in an honest and ethical manner and delivering superior performance and accountability. Our actions and business practices must uphold the trust of our stakeholders, and protect Allstate's brands and reputation.

Our suppliers have to comply with all laws and regulations. This includes:

- **Human rights:** Suppliers must uphold principles surrounding freedom of association, unlawful detention, forced or voluntary labor practices and safe and sanitary work environments, including rest and eating facilities. We do not permit, condone or accept any form of slavery or human trafficking by employees, suppliers, agents or other entities Allstate does business with.
- **Fair compensation:** A supplier's employee should be paid at least local, state or federal minimum wage, whichever is highest.
- **Health and safety:** Suppliers are prohibited from possessing controlled substances or acting under the influence while conducting Allstate business, bringing weapons to work, assigning work to a known felon or bringing anyone on Allstate premises who may be a risk to the health and safety of others.
- **Discrimination:** Suppliers can't discriminate on the basis of sexual orientation, gender identity, race, religion, nationality or other protected categories.

Additional supplier standards can be located in our Supplier Code of Business Conduct.

We consider many factors when assessing our suppliers and their risk. We may audit compliance with our Supplier Code of Business Conduct and require certification of compliance. In 2023, 211 of our suppliers received standardized performance and risk assessments. We can end our relationship with a supplier if they don't comply with the standards in the code.

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# The Allstate Corporation

The Allstate Corporation was incorporated under the laws of the State of Delaware on November 5, 1992, to serve as the holding company for Allstate Insurance Company. Its business is conducted principally through Allstate Insurance Company and other subsidiaries (collectively, including The Allstate Corporation, “Allstate”).

Allstate protects people from life’s uncertainties with a wide array of protection for autos, homes and personal property. Allstate is primarily engaged in the property and casualty insurance business in the United States and Canada. Additionally, Allstate provides customers other protection solutions such as protection plans that cover consumer electronics, mobile phones and appliances, personal identity protection and accident and health insurance. On November 1, 2023, we announced that we are pursuing the sale of the Health and Benefits business.

The Allstate Corporation is one of the largest publicly held personal lines insurers in the United States. Allstate’s personal property-liability strategy is to increase market share by offering consumers a broad suite of protection solutions and a competitive value proposition across distribution channels. The Allstate brand is widely known through the “You’re In Good Hands With Allstate®” slogan. Allstate is the second largest personal property and casualty insurer in the United States on the basis of 2022 statutory direct premiums written according to A.M. Best. Allstate also has strong market positions in other protection solutions. Allstate Protection Plans provides protection on a wide variety of consumer goods such as cell phones, tablets, computers, furniture and appliances, and has a leading position in distribution through major retailers. Allstate Identity Protection has a leading position in identity protection through workplace benefit programs.

In total, Allstate had 194 million policies in force and 53,400 employees globally as of December 31, 2023.



## Allstate Products and Services

Allstate Protection includes the Allstate brand, National General and Answer Financial. We offer insurance for private passenger cars, homes, other personal lines and also commercial insurance. We're wherever customers need us: agencies, contact centers and online.

Protection Services includes [Allstate Business Insurance](#), [Allstate Protection Plans](#) (known as SquareTrade outside the U.S.), [Allstate Dealer Services](#), [Allstate Roadside](#), [Arity](#), [Allstate Identity Protection](#), [Avail](#) and Allstate Health & Benefits, which cover even more of what customers care about.



# About this Report

This Sustainability Report details Allstate's performance on sustainability topics and contains non-financial disclosures covering January 1, 2023 through December 31, 2023, unless otherwise stated. The inclusion of information contained in this report should not be taken as an indication of the materiality or financial impact of that information. Our financial disclosures for this period can be found in our 2023 Annual Report on Form 10-K.

This report covers all of Allstate's operations included in the company's 2023 financial statements, unless otherwise stated. Where relevant, data measurement techniques, the bases of calculations and changes in the basis for reporting or reclassifications of previously reported data are included.

All other sustainability-related reporting is available at [AllstateSustainability.com/reporting](https://AllstateSustainability.com/reporting). This includes Allstate's annual SASB Index and TCFD Index and consolidated disclosure aligned with the Global Reporting Initiatives (GRI) and the UN's Sustainable Development Goals (SDGs), as well as Allstate's annual CDP report and EEO-1 disclosures.

## Data Assurance

The data contained in this report has been subjected to internal verification procedures. Additionally, Allstate obtains assurance of select GHG emissions each year, which is disclosed in greater detail in Allstate's annual CDP report.

## Forward looking statements

This report contains "forward-looking statements" that anticipate results based on our estimates, assumptions and plans that are subject to uncertainty. These statements are made subject to the safe-harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements do not relate strictly to historical or current facts and may be identified by their use of words like "plans," "seeks," "expects," "will," "should," "anticipates," "estimates," "intends," "believes,"

"likely," "targets" and other words with similar meanings. These statements may address, among other things, our strategy for growth, catastrophe, exposure management, product development, investment results, regulatory approvals, market position, expenses, financial results, litigation, and reserves. We believe that these statements are based on reasonable estimates, assumptions and plans. Forward-looking statements speak only as of the date on which they are made, and we assume no obligation to update any forward-looking statements as a result of new information or future events or developments. In addition, forward-looking statements are subject to certain risks or uncertainties that could cause actual results to differ materially from those communicated in these forward-looking statements.

In addition, historical, current, and forward-looking environmental and other sustainability-related statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future, including future laws and rulemaking. Forward-looking and other statements regarding environmental and other sustainability efforts and aspirations are for informational purposes only and are not intended as an advertisement for Allstate's equity, debt, businesses, products, or services and the reader is specifically notified that any investor-requested disclosure or future required disclosure is not and should not be construed as an inducement for the reader to purchase any product or services. The statements and analysis in these publications represent a good faith effort by Allstate to address these investor requests despite significant unknown variables and, at times, inconsistent market data, government policy signals, and calculation, methodologies, or reporting standards.

## Climate Related Disclosures

On March 6, 2024, the SEC adopted climate-related disclosure regulations, requiring registrants to provide certain climate-related information in their registration statements and annual reports. The final rule requires, among other disclosures, information about a registrant's climate-related risks that have had or are reasonably likely to have a material impact on its business strategy, results of operations, or financial condition. The final rule also includes disclosure of a registrant's Scope 1 and Scope 2 greenhouse gas



emissions, if material, which have become a commonly used metric to assess a registrant's exposure to such risks. In addition, under the final rule, certain disclosures of climate-related financial statement effects would be required in a registrant's audited financial statements. Initial disclosures under the final rule are required to be made in the Company's Form 10-K for the year ended December 31, 2025. The Company is evaluating the anticipated impacts of the final rule to its disclosures.

In October 2023, California enacted several climate disclosure bills. One of these is the Climate Corporate Data Accountability Act (Senate Bill 253) (the "Act"), which requires disclosure and assurance of greenhouse gas emissions using a phased reporting approach. The Act requires the California Air Resources Board to develop and adopt implementing regulations no later than January 1, 2025. Allstate has publicly reported its greenhouse gas inventory since 2010. We will continue evaluating the anticipated impacts and scope of the new laws on our reporting and disclosures.

Allstate's greenhouse gas (GHG) emissions data is based on a combination of measured and estimated data. Reporting guidelines from global organizations

and standards such as CDP and the GHG Protocol inform Allstate's process and the selection of the data reported. Emissions reported are estimates only, and performance data depends on variations in processes and operations, the availability of sufficient data, the quality of those data and methodology used for measurement and estimation. Emissions data is subject to change as methods, data quality, and technology improvements occur, and changes to performance data may be updated. Data for non-Allstate operated facilities are included in consolidated emissions data and similarly may be updated as changes in the performance data are reported. Allstate's plans to reduce emissions are good-faith efforts based on current relevant data and methodology, which could be changed or refined. Allstate works to continuously improve its approach to identifying, measuring, and addressing emissions.

In early 2024, Allstate updated its Scope 3 net zero goal to align with the company's path to set a goal for financed emissions. By year-end 2025, Allstate will announce a goal for all Scope 3 categories. The update is reflected in this report.

## Additional Disclosures

Description of the boundaries or scope of reporting used for your sustainability disclosure	This report covers all of Allstate's operations included in the company's 2023 financial statements, unless otherwise stated. Where relevant, data measurement techniques, the bases of calculations and changes in the basis for reporting or reclassifications of previously reported data are included.
Percentage of revenues covered by sustainability disclosure	Approximately 75%
Financial assistance received per country in 2023 from Allstate and The Allstate Foundation*	United States: Approximately \$45,389,000 United Kingdom: Approximately \$274,000
Percentage of 2023 revenue generated in the US	96%
Employees per country**	Canada: 2,900 India: 7,600 Mexico: 1,400 UK: 2,100 USA: 39,500
Total global employees**	53,400

Description of prohibition of tax avoidance through transfer pricing and jurisdictions enabling tax base erosion and profit shifting	Allstate prohibits tax avoidance through transfer pricing or jurisdictions enabling tax base erosion and profit shifting.
Number of information security*** breaches in 2023	In 2023, Allstate had 3 information security breaches which were appropriately addressed and managed according to our policies and practices.
Ratification of Independent Auditor Support Level	94%
Description of CEO's short-term bonus deferral percentage	0%. The CEO's short-term incentive does not include a stock option.
Description of shareholder rights or a "poison pill" plan	Allstate does not have a poison pill plan. Please see Allstate's most recent <a href="#">Proxy Statement</a> for more information.
EEO-1 report	<a href="#">Yes</a>
GRI and SDG alignment	<a href="#">Yes</a>
SASB index	<a href="#">Yes</a>
TCFD index	<a href="#">Yes</a>
CDP report	<a href="#">Yes</a>
UN Global Compact signatory	No
PRI signatory	No

\*Allstate and The Allstate Foundation also support international causes via organizations based in the United States. For example, The Allstate Foundation supported Ukraine in 2023 by donating to the American National Red Cross & Center for Disaster Philanthropy Inc. Geographical financial assistance is reported using the location(s) of the organization(s) that receive funding directly from Allstate and The Allstate Foundation, rather than by where that funding is ultimately used or provided.

\*\*As of December 31, 2023. "Employees per country" does not include employee counts for countries with less than 20 employees. All part-time and full-time employees are included in the "Total global employees."

\*\*\* Information security breaches are defined as unauthorized access to computer data, applications, networks, devices, protected systems and data.

## Policies

Allstate policies pertaining to governance of sustainability-related topics. Internal policies are noted but not linked. Publicly-available policies are noted and linked.

Policy	
Fair Remuneration Policy	Yes
Employee Training Policy	Yes
Equal Opportunity Policy	Yes
Human Rights Policy	<a href="#">Yes</a>
Policy Against Child Labor	Yes
Business Ethics Policy	<a href="#">Yes</a>
Anti-Bribery Ethics Policy	Yes
Employee Privacy Statement	<a href="#">Yes</a>
Employee Protection / Whistle Blower Policy	<a href="#">Yes</a>
Health and Safety Policy	Yes
Renewable Electricity Target Policy	No
Energy Efficiency Policy	No
Green Building Policy	No
Environmental Supply Chain Management Policy	No
Climate Change Policy	<a href="#">Yes</a>
Biodiversity Policy	<a href="#">Yes</a>
Global Code of Conduct	<a href="#">Yes</a>
Supplier Code of Conduct	<a href="#">Yes</a>



## Learning and Development Breakdowns

Learning and development at Allstate includes a wide variety of programs and providers. The data below represents hours from four of Allstate's 2023 Degreed learning and development providers ([getAbstract](#), [LinkedIn Learning](#), [Spark](#) and [Udemy](#)) and does not include non-required learning hours or partial completions. Data coverage is communicated per breakdown type in consideration of Allstate and the Allstate family of companies.

The [Organizational Culture](#) section of this report includes additional detail pertaining to learning, training and development data at Allstate.

### Average hours per employee of learning and development, broken down by learning provider

Learning & Development Provider	Average Hours per Global Employee
getAbstract	0
LinkedIn Learning	2.55
Spark	0.06
Udemy	0.23
<b>Total</b>	<b>2.84</b>

### Average hours per employee of learning and development by age group

Generation	Average Hours per Global Employee (excluding AIP, APP, ASPL)
Boomers (1946 - 1963)	5.1
Generation X (1964 - 1978)	5.9
Generation Y (1979 - 1994)	7.1
Generation Z (from 1995)	9
<b>Total</b>	<b>6.7</b>

### Average hours per employee of learning and development by gender

Gender	Average Hours per Global Employee (excluding Allstate Canada)
Female	9.2
Male	8.6

### Average hours per employee of learning and development by management level

Management Level	Average Hours per Global Employee
Global Officer	1.4
Global Manager	4
Global Individual Contributor	9.3

## Human Capital Return on Investment

We track the value that our talent strategy and talent management programs deliver to our business using a human capital return on investment (ROI) metric. We calculate this by dividing total revenue, less non-employee-related expenses, by employee-related expenses. It looks at profitability in relation to human capital costs. It also reflects the incremental revenue Allstate might get from investing an additional \$1 per employee. The table below details our inputs and resulting human capital ROI over the past three years. Notably, the 2023 human capital ROI of 12+ is materially different than previous reporting for fiscal year 2021 and year 2022 of 9+. This is primarily driven by premium growth with revenues up more than 10% combined with lower overall costs in 2023.

Human Capital ROI	2020	2021	2022	2023
Total Revenue (\$B)	\$41.91	\$50.60	\$51.41	\$57.09
Total Operating Expenses (\$B)	\$5.49	\$7.26	\$7.45	\$7.14
Total Employee-Related Expenses (\$B)*	\$4.01	\$4.85	\$5.00	\$4.52
Total Employees**	42,100	54,700	54,500	53,400
<b>Human Capital Return on Investment</b>	<b>10.08</b>	<b>9.94</b>	<b>9.79</b>	<b>12.05</b>

\*Sum of compensations, benefits, annual incentive and restricted stock.

\*\*Full- and part-time global employees.

## Foundation Giving

In 2022 and 2023, the Foundation's strategic partner organizations served the following demographics:

	2022	2023
People served who are American Indian or Alaskan Native	2%	6%
People served who are Asian	6%	9%
People served who are Black/African American	35%	23%
People served who are Hispanic/Latino	23%	23%
People served who are multiracial (two or more races)	4%	5%
People served who are Native Hawaiian or other Pacific Islander	1%	2%
People served who are White	25%	28%
People served who identify as "Other"	4%	3%
<b>Total % of people served by strategic partner organizations who are people of color</b>	<b>71%</b>	<b>68%</b>

Does not include Allstate Canada Foundation contributions. Data coverage is approximately 99%.

Foundation partners reflect the communities Allstate and the Foundation serve. In 2022 and 2023, the leadership of the Foundation's strategic partner organizations reflected the following demographics:

	2022	2023
Strategic partner organizations led by someone who is American Indian or Alaskan Native	1%	5%
Strategic partner organizations led by someone who is Asian	12%	11%
Strategic partner organizations led by someone who is Black/African American	21%	31%
Strategic partner organizations led by someone who is Hispanic/Latino	5%	9%
Strategic partner organizations led by someone who is multiracial (two or more races)	7%	12%
Strategic partner organizations led by someone who is Native Hawaiian or other Pacific Islander	0%	0%
Strategic partner organizations led by someone who is White	54%	32%
Strategic partner organizations led by someone who identifies as "Other"	0%	0%
Total % strategic partner organizations led by people of color	46%	68%

*Does not include Allstate Canada Foundation data.*





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## Contact Info

For more information about Allstate's sustainability reporting, please email [sustainability@allstate.com](mailto:sustainability@allstate.com).

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