

2024

Allstate Sustainability Report





Sustainability Report

Allstate's role in society is to serve customers, generate returns for shareholders, create opportunity for our team and improve communities. Sustainably achieving these objectives requires prioritizing long-term solutions that balance multiple priorities. Our Shared Purpose guides these decisions by defining Allstate's values, operating practices and behaviors. Transparent reporting and responsive governance ensure accountability to customers, shareholders, employees and regulators. This report summarizes Allstate's position on sustainability priorities for achieving Our Shared Purpose.

| | |
|---|---|
| Increasing Value for Customers and Shareholders | 3 |
| Navigating Climate Risk | 4 |
| Creating Opportunities for Employees | 7 |
| Improving Communities | 8 |
| Sustaining the Good Hands® Legacy | 9 |








Our Shared Purpose

As the good hands...

- **We empower** customers with protection to help them achieve their hopes and dreams.
- **We provide** affordable, simple and connected protection solutions.
- **We create** economic value for our shareholders, opportunity for our team and improve communities.

Increasing Value for Customers and Shareholders

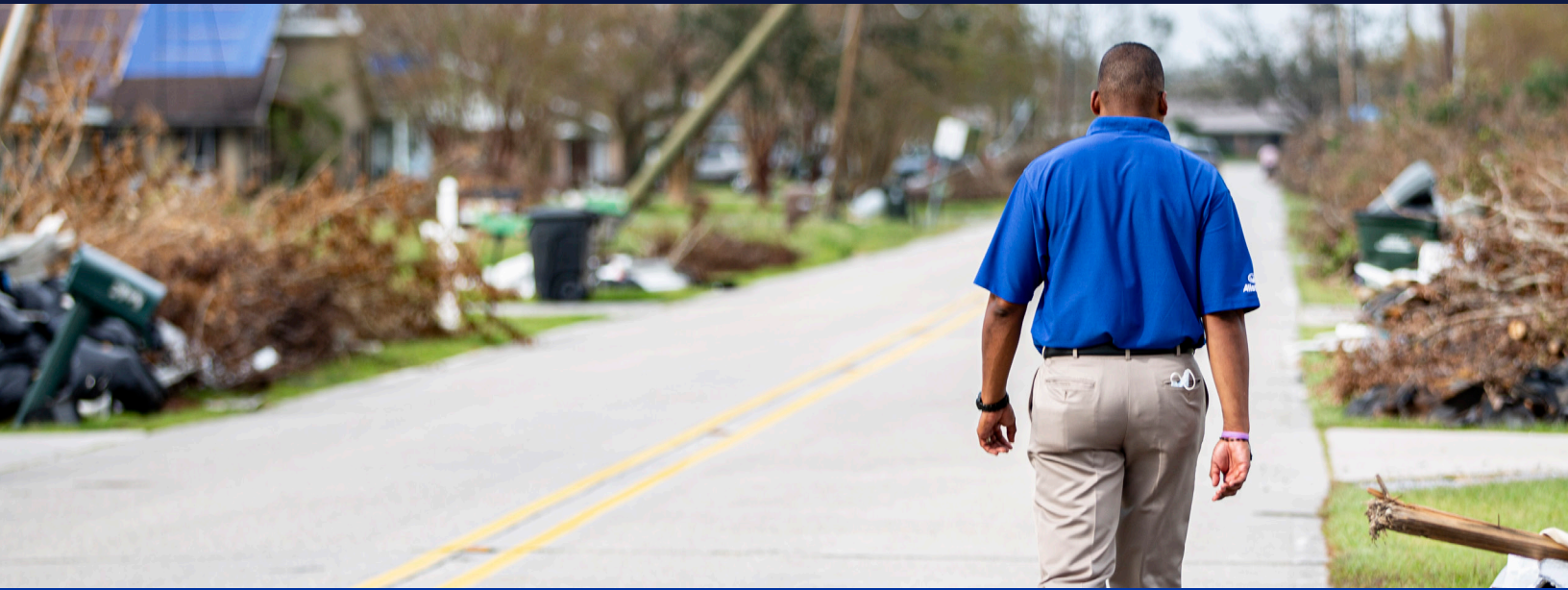
Five years of investment in the Transformative Growth strategy have confirmed its benefits for customers and shareholders.

-  **Increasing Customer Value** by reducing costs and introducing new auto and home insurance products.
-  **Expanding Customer Access** with 2024 new business equally sourced through Allstate agents, independent agents and directly from customers.
-  **Improving Customer Acquisition** by expanding a world class advertising campaign with greater analytical sophistication.
-  **Deploying a New Technology Ecosystem** that is simpler, cheaper and faster to market.
-  **Organizational Transformation** aligns highly engaged employees with the values and behaviors laid out in Our Shared Purpose.

31

states offering Allstate's new affordable, simple and connected auto product as of year-end 2024





Navigating Climate Risk

Increased catastrophe losses from severe weather events have increased losses for customers, required price increases for homeowners insurance and created net income volatility for shareholders. By taking a long-term perspective, Allstate has built an industry-leading homeowners insurance business that provides protection for customers while earning appropriate returns.

- Allstate responded to 132 catastrophes in 2024, handling 510,000 claims compared to 85 events on average a decade ago. We paid out \$4.8 billion in catastrophic losses last year, which enabled customers to rebuild their lives.
- Allstate earned an underwriting profit of \$1.3 billion from homeowners insurance in 2024, which is the 11th annual profit in 12 years. Homeowners written premium was \$14.4 billion.
- Comprehensive long-term risk and return practices balance the impact of severe weather on customers and shareholders. For example, in California, we did not take on any new customers for 12 of the last 18 years, which has reduced overall exposure without requiring policy cancellations. When combined with the use of reinsurance, this limited Allstate's net losses from the early 2025 California wildfires to \$1.1 billion.
- Our Societal Engagement Framework, [see page 5 of the Proxy Statement](#), identified the impact of severe weather as an area where Allstate should lead to drive change. As a result, we are active in shaping public policy and regulatory actions to improve disaster preparedness, create new risk sharing pools and institute stronger building codes. Allstate's joint study with the U.S. Chamber of Commerce showed that there is a \$13 benefit for every \$1 invested in resiliency.



\$7
in economic savings

+ \$6
saved in damage
and cleanup costs

\$1 spent on climate resilience = \$13 saved

Managing Greenhouse Gas Emissions

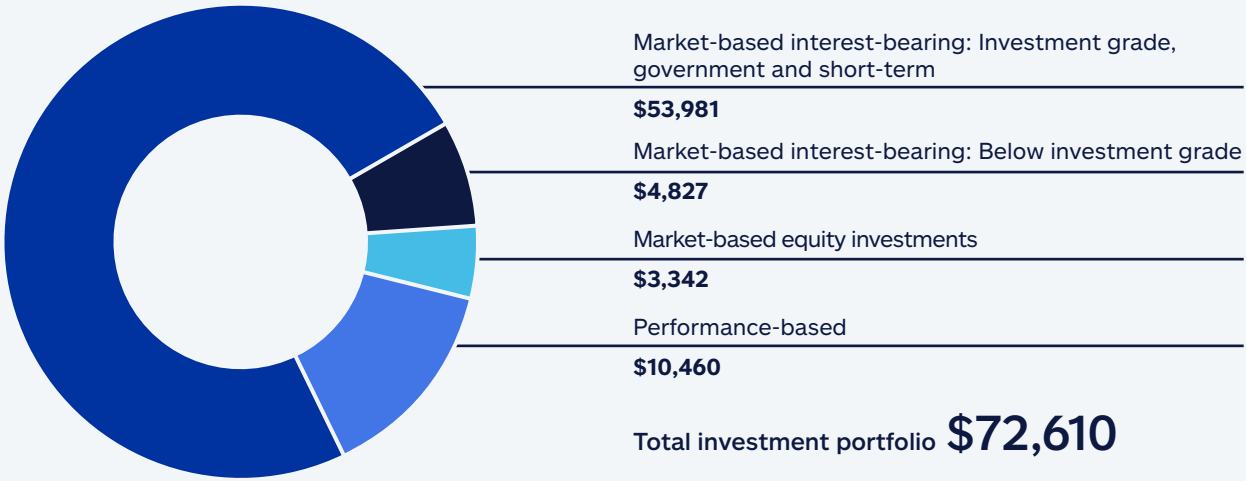
As a service company, Allstate's operational greenhouse gas emissions are relatively small compared to the size and scope of our business. We committed to reduce Scope 1 and 2 emissions to zero by 2030 since this will increase efficiency and supports engagement to mitigate the impact of severe weather on customers. The chart below shows substantial progress towards achieving this goal.



Allstate reports on Scope 3 greenhouse gas emissions which are indirect emissions across our value chain, including companies in which we invest or use as suppliers. Allstate has chosen not to make specific time bound commitments on Scope 3 emissions given lack of precision in measurement, limited control over third parties and unknown impacts on customers and shareholders.

- The European Union and the United States have not yet finalized regulations around Scope 3 emissions. Allstate is committed to continue reporting all relevant emissions under the Task Force on Climate-Related Financial Disclosures and the CDP (formerly Carbon Disclosure Project) to support society's efforts to measure and manage emissions.
- The \$73 billion investment portfolio is largely concentrated in fixed income securities. Bondholders typically have no control over the issuer's corporate operations and negligible opportunity to influence those operations.
- The duration of the fixed income securities in our portfolio is 5.3 years and we are proactive traders, meaning the portfolio will turn over multiple times between now and 2050. As a result, establishing a Scope 3 net zero goal could lead to inappropriate constraints on investment decisions with unintended implications on the investment portfolio and consequently insurance rates and shareholder returns.

2024 Investment Portfolio Allocation
(\$ in millions)



Investing in a Lower Carbon Economy

Allstate proactively invests to generate attractive risk-adjusted returns that support lower insurance prices for customers and higher returns for shareholders. The public and private sectors are making substantial investments to transition to a lower carbon economy, so investment capabilities are being expanded to capture long-term return from these opportunities. While balancing the objectives of returns and impact, we do not accept below market returns on any investment, whether climate-related or otherwise.

\$2.9_B

climate-related
investments in our
investment portfolio

\$359 million new
commitments in 2024

Invested in renewable energy,
green bonds, sustainable real
assets, decarbonization and
natural capital investments

Figures as of December 31, 2024, including assets held for sale



Creating Opportunity for Employees

84%

employees report being highly engaged, which exceeds industry benchmarks

8 YEARS

Allstate was named one of the 250 Best-Managed companies for the eighth consecutive year by The Wall Street Journal and Drucker Institute

Allstate has a talented and engaged full-time employee base of 55,000 with a focus on individual and collective purpose. Sustainability is created by embracing the values in Our Shared Purpose: Integrity is non-negotiable, inclusive diversity leverages differences and collective success prioritizes enterprise outcomes. Our behaviors are to collaborate, challenge ideas, provide decision clarity and give performance feedback. This enables us to focus on customers, be the best, be bold and earn attractive returns. Sustainable talent management is being enhanced with an updated employee value proposition focused on: purpose, professional growth, individuality, rewards and winning.

- Allstate's longstanding commitment to ensuring people are seen, heard and respected and our distributed work practices enable us to attract and retain a talented and engaged workforce. Women and men represent 56% and 44% of the U.S. workforce, respectively, and approximately 40% of U.S. employees are racially or ethnically diverse as of year-end 2024. The opportunity set to attract talent was further widened by increasing the number of positions that do not require four-year degrees. Talent is also harnessed through locations in Canada, India, Northern Ireland and Mexico.
- Operational adaptation to the global pandemic enabled us to operate effectively and efficiently with a distributed workforce. Sustaining organizational growth requires increased in-person connectivity, so standards have been established making this a leadership responsibility rather than requiring all employees to be in physical offices on certain days of the week.



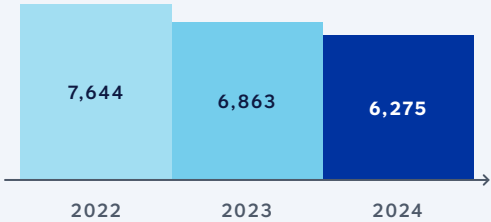
Allstate's culture is a self-sustaining system of shared values, priorities and principles that shape beliefs, drive behaviors and influence decision-making within an organization.

Improving Communities

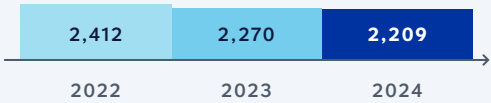
Strong communities are important to Allstate's customers, employees and the companies in which we invest. To sustainably support communities, The Allstate Foundation focuses on three areas: empowering youth to serve, disrupting the cycle of relationship abuse and increasing workforce readiness. Employee and Allstate agent volunteerism is encouraged and amplified through the Helping Hands programs. In 2025, every U.S. employee will have one day of paid time off to volunteer.

- The Allstate Foundation, Allstate, employees and agents contributed more than \$57 million to nonprofits in 2024.
- Over 6,200 nonprofits are financially supported with reach in over 2,200 communities.

The Allstate Foundation Reach



Nonprofits supported by
The Allstate Foundation



Communities served by
The Allstate Foundation





Sustaining the Good Hands® Legacy

Allstate has been a part of America's progress for 94 years by creating the future instead of reacting to trends. Our strong financial position, operating capabilities and culture, when combined with support from stakeholders, enables us to take long-term balanced actions. Sustainability is about our collective success.

Additional disclosures

For additional disclosures, including financial and sustainability disclosures, please refer to the links below:

[Sustainability Reporting](#)

[Proxy Statement and Annual Report](#)

