

Leading Change

2011 Corporate Responsibility Report





About this Report

Welcome to Allstate's 10th Corporate Responsibility report. We are committed to reporting annually on our sustainability performance, including both our achievements and opportunities for improvement.

Report Content

The content of this report is determined both by the GRI guidelines and through our understanding of stakeholder priorities and concerns. Our stakeholders include customers, employees, agency owners, investors, opinion leaders, policymakers and consumers. We also regularly receive feedback from and engage with a wide variety of community groups, non-governmental organizations (NGOs) and activist organizations, and staff members from organizations that regulate our business and operations.

This year, to sharpen our reporting focus and to help guide future strategy, we undertook a sustainability materiality analysis. This analysis allowed us to take a close and considered look at the issues that are of the highest concern to our stakeholders and that could significantly affect our ability to execute our business strategy. In effect, the materiality analysis highlights areas both of opportunity and risk to help us refine our overall strategic reporting approach and improve performance.

Working with Business for Social Responsibility (BSR), a leading corporate responsibility consultancy and research firm, we began our analysis by evaluating stakeholder concerns. We reviewed stakeholder input gathered directly through interviews with agency owners, investors, suppliers, customers, policymakers and NGOs, as well as through indirect materials such as ranking surveys, trade reports and other materials. These interviews helped us to better understand stakeholder priorities and concerns related to a range of issues. We also conducted internal surveys and discussions, interviewing business leaders of key functions including Human Resources, Enterprise and Risk Management, Sourcing and Procurement, Corporate Relations and Law and Regulation in order to clearly identify how environmental and social issues were increasingly interconnected with business objectives. This information was then brought together in a leadership workshop to refine the resulting matrix and discuss implications for our sustainability reporting and for our strategy.

As a result of this materiality analysis, we increased reporting in some areas and added a few entirely new sections. For example, we increased our reporting on our efforts related

to natural catastrophe preparedness, since this issue has a significant impact on our business and is clearly a priority for our customers and the communities we serve. Our sustainability materiality analysis indicated data privacy is an issue of rising importance and as a result we have expanded our reporting on how we protect data privacy and our customers' key concerns. New report content on Corporate Involvement in Public Policy discloses information on Allstate Board oversight and contribution to governance, organizations and initiatives that we support; an overview of expenditures; and corporate contributions to candidates and political action committees (PACs).

In order to build sustainability materiality analysis into our business strategy on an ongoing basis, we will do a rapid review every year with a cross-functional business team. This team will be responsible for incorporating the changes into the business and stakeholder landscape.

Our Reporting Framework

This is our third year using the Global Reporting Initiative (GRI) framework for reporting. GRI is a set of global guidelines to standardize sustainability report content and allow for comparisons between different organizations. The guidelines are continually refined and improved to give companies a more effective framework for organizing content.

More information about our business is available in our Annual Report [here](#). More information about our 2011 financial performance is available in our 8-K filed on May 2, 2012 (which includes the impacts of our January 1, 2012 adoption of new DAC accounting guidance on a retrospective basis) [here](#).

Please send correspondence, comments and questions regarding this report to:
SocialResponsibilityFeedback@allstate.com

Report Period, Scope and Boundaries

This report was published in August 2012 and covers our sustainability performance for the 2011 fiscal year, which ran from January 1, 2011 to December 31, 2011.



Data in this report does not cover the facilities, operations and employees of our exclusive insurance agencies or the independent insurance agencies who sell Allstate products, unless otherwise noted.

This year, we are including expanded information on our operations in Canada and Northern Ireland, as well as online insurer Esurance, which we acquired in the fall of 2011. In the coming years, we will further integrate those operations into our data-collection and reporting processes.

Reporting boundaries in other areas differ by content.

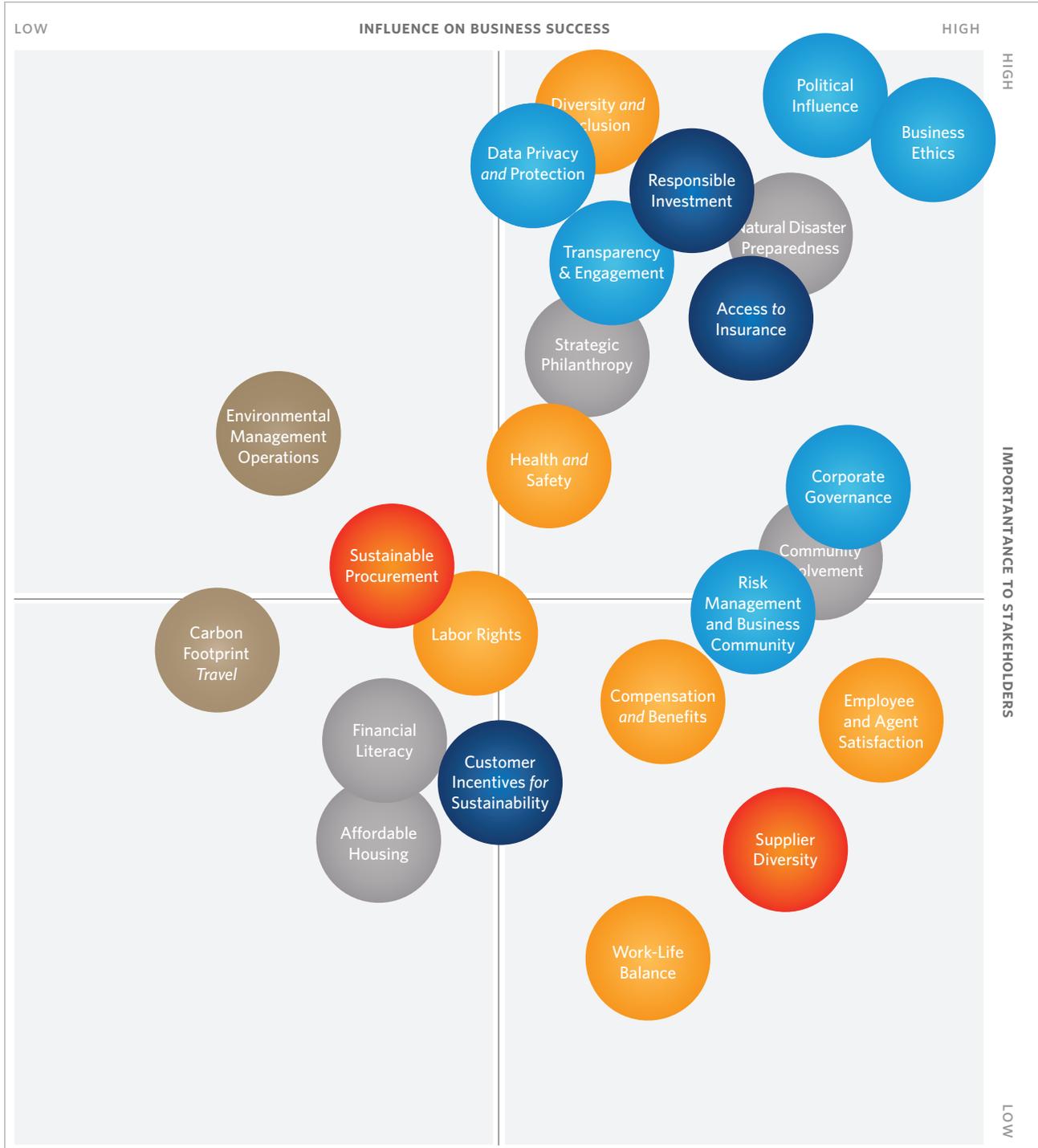
- **Climate Change:** Reporting covers Allstate and subsidiary-owned and leased facilities and operations in the United States, Canada and the United Kingdom.
- **Energy:** Reporting covers Allstate and subsidiary-owned facilities and operations in the United States and Canada.
- **People:** Reporting covers the employees (and temporary workers) of Allstate. The employees of exclusive agencies, independent agencies and partners are not covered except when specifically noted in the report.
- **Products and Investments:** Reporting covers all of our products, financial services and investments during calendar year 2011.

Information for this report was collected by individual departments within Allstate that gather, store and manage the data in their business systems. Data was not verified by a third party, but the data and statements made have been confirmed by internal Allstate teams, including representatives from Human Resources, Investments, Risk Management, Tax,

Administration and Real Estate, Sourcing and Procurement Solutions, Finance, Legal, Accounting and our Public Social Responsibility team. No significant changes were made in measurement from the previous reporting years.



MATERIALITY ANALYSIS OUTPUT INFLUENCE ON BUSINESS SUCCESS



- ENVIRONMENT
- EMPLOYEES
- GOVERNANCE
- COMMUNITIES
- SUPPLY CHAIN
- PRODUCTS AND SERVICES



Tom Wilson Chairman/ CEO Letter



Allstate’s responsibility to improve local communities is central to our shared vision. It is fully integrated into our daily business activities and is supported by more than \$28 million and thousands of volunteers. This commitment not only reflects the respect we have for our customers, it energizes local Allstate agency owners and rewards our people with personal growth and the opportunity to make a difference. We do it because

it is who we are, what we believe and what we expect from each other.

Our corporate responsibility successes in 2012 build on an 81-year history of leadership that we are expanding for the generations of Allstaters who will serve America in the future. We tackle difficult issues ranging from the 4,000 teens that die needlessly in motor vehicle crashes each year to helping victims of domestic violence escape abuse and subjugation. Allstate agencies support and volunteer with thousands of nonprofits in virtually every local community. Allstate employees build houses, serve food, educate and console people in need. The company takes strong positions on societal issues such as providing for organized and funded disaster relief and creating safe neighborhoods. This work is important, necessary and beneficial for all members of society.

This year’s report has many inspiring stories of Allstaters making a difference. I am filled with pride when faced with the reality of what we accomplish with talented people and the resources of a large and successful company. Please take the time to visit this interactive web site filled with videos, graphs and information that demonstrate how Allstate lives up to its responsibilities. The report follows the Global Reporting Initiative framework and highlights Allstate’s progress in four key categories of accountability. A few highlights are listed below:

Social Impact

The Allstate Foundation provided funding to thousands of organizations that promote financial literacy, inclusive diversity and safer communities, including The YWCA, Facing History and Ourselves and Junior Achievement.

We reached more than 80,000 domestic violence survivors with financial empowerment services and recently raised our goal to reach 500,000 survivors by 2015. I am especially proud that Allstate played a major role in passing key elements of the STANDUP Act — which incents states to improve teen safe driving laws — that when fully implemented will save thousands of lives every year!

Environment

Allstate’s carbon footprint was reduced by nine percent over the prior year, our fourth consecutive year of reductions. By adopting new printing standards we lowered paper use by more than 11 percent during the year and by more than 50 percent since we launched this initiative in 2009.

Business Practices

Allstate was recognized by DiversityInc Magazine as a Top 50 company for diversity. In addition, we remain on pace to reach our longer-term goal to achieve nine percent of Allstate’s total procurement spend with diverse suppliers by 2015.

Stakeholder Engagement

We deepened our strategic partnerships with organizations such as the Carbon Disclosure Project, Catalyst, Ceres and Business for Social Responsibility. Individual leaders serve on many nonprofit boards, including the National Network to End Domestic Violence, and an Allstate Fellows program provides full-time executives to nonprofit partners for three-month assignments.

As one of America’s largest “Main Street” institutions, we are grateful for the trust placed in Allstate by those we serve. Together with our agency owners, employees and community partners across the country, Allstate will continue to build a better future.

Tom Wilson
Chairman, President and
Chief Executive Officer



Elevating Our Leadership Through More Effective Listening



In the more than 80 years since Allstate's founding, much has changed — in business and society. One thing however has remained the same: our commitment to our customers, the communities where we live and work and to the larger society we serve.

We believe in listening to the voices of the many stakeholders that touch our business so we fully understand their expectations

of Allstate when it comes to environmental and sustainability issues, business practices, workplace diversity and driving social change. We work hard to anticipate needs and develop innovative solutions. We set stretch goals, track our progress and evolve strategies and actions to stay current and relevant to the most pressing issues of our time.

To this end, I'm pleased to report we made considerable progress over the past year in many areas that matter most to our stakeholders. We reduced our energy use and overall carbon footprint, strengthened our workplace and supplier diversity performance, and increased the impact of The Allstate Foundation's domestic violence and teen safe driving signature programs. While we fell short of some targets, including agency owner satisfaction and improving our overall reputation score, we remain committed to evaluating and evolving so that we can achieve our goal of continual improvement.

In 2011, we established key goals in the areas of stakeholder engagement, business practices, social impact and sustainability. Following is an overview of our efforts:

Social Impact

Allstate has long been a leading advocate for key public policy issues that affect all of our stakeholders and align with our business. This is done through public awareness programs, alliances with other advocates and ongoing research.

This year, we continued our support of domestic violence survivors through The Allstate Foundation. By training staff and creating resources for more than 1,100 programs across

the country, we have served more than 100,000 survivors of domestic violence since 2005. The reach of this program is growing beyond our expectations in 2012 and we will include an update in next year's report.

Another key priority involved Allstate leading the charge for passage of the STANDUP Act — a federal bill that encourages the adoption of uniform graduated drivers licensing standards at the state level. We are proud to say that this bill was signed into law in June 2012. The Allstate Foundation's Teen Safe Driving program coupled with our corporate advocacy efforts helped drive awareness and action on this "serious public health problem" (as classified by U.S. government's Centers for Disease Control and Prevention).

Environment and Sustainability

Last year, Allstate paid a significant amount for catastrophe-related claims. The need to prepare for natural disasters has never been greater. Allstate is committed to continuing its leadership role in helping communities adapt to the risks of a changing climate.

A notable achievement on this front was Allstate's support of the creation of the Insurance Institute for Business & Home Safety's (IIBHS) Research Center in South Carolina, which became fully functional in late 2010 / early 2011. The Center focuses on establishing disaster-resistant communities. The Center conducts objective, scientific research to identify and promote effective actions that strengthen homes, businesses, and communities against natural disasters and other causes of loss. Allstate partners with IIBHS to promote more durable homes and commercial buildings by improving building practices and by strengthening building codes so our communities are more resilient against natural catastrophes.

In terms of our own operations, we are maximizing the experience and influence of Allstate's Sustainability Leadership Team — composed of leaders from across the company — to integrate sustainability into all of our business units. This work has led to the development of new products and processes and significantly improved our environmental performance. In 2012 this team will conduct a thorough review of how climate change impacts our business. Our goal is to use this information to develop a more robust climate change strategy.

In 2011 we substantially lowered Allstate's carbon footprint and paper usage. We are well on our way to meeting our 2020 goal of reducing energy use by 20 percent, compared



to 2007 levels. We continue to require that most major office renovations and all new building construction earn LEED certification. And we are in the process of consolidating a variety of office locations across the United States to reduce our real estate footprint and increase the efficiency of our operations. At the same time, we are moving forward with new ways to reduce our water use and better control waste management.

Business Practices

Being a good corporate citizen means more than just adhering to laws and regulations; it's about transparent governance and business practices and advocating on behalf of stakeholders on issues that matter to them.

Early in 2012, Allstate published an overview of our "Corporate Involvement in Public Policy." It covers issues from Board oversight and contribution guidelines to a list of the organizations we support. You'll find the overview in this report. We plan to include annual updates in future corporate responsibility reports.

New this year is a section on Allstate's sustainable supply chain practices that highlights our continued focus on supplier diversity. In it, we feature a new mentoring program that helps minority and women business owners strengthen their companies, become more competitive in the marketplace and grow.

Stakeholder Engagement

Last year, we promised to build more meaningful relationships with all our stakeholders. Key to that effort was the creation of a stakeholder feedback panel led by Ceres, a leading nonprofit focused on business and sustainability. The panel included representatives from NGOs, investors, opinion leaders and

senior-level Allstate employees. The result was a frank and honest discussion about transparency and how issues such as climate change and financial literacy affect Allstate.

As an outcome of that panel, we conducted an in-depth analysis using input from all our key stakeholder groups to help us prioritize our most relevant corporate responsibility issues, and to guide the decisions and commitments we will make in the future. This partnership was such a success in delivering rich insight and information to guide our work that we committed to convening this panel twice every year. Our commitment to a deeper, more consistent engagement with stakeholders will help us to adopt new business practices and thrive in the face of change for years to come.

We invite you to read more about these and other efforts in the report that follows. We also encourage your comments and suggestions by writing to SocialResponsibilityFeedback@allstate.com.

Victoria Dinges
Vice President
Public Social Responsibility



Key Performance Indicators and Goals

The Key Performance Indicators reflect our priorities. We established these last year. Here is an update on our performance, where we achieved strong results and where we fell short this year.

STAKEHOLDERS: Improve our reputation with all stakeholder groups

Improve overall reputation across all stakeholder groups by 3 percent as measured by Allstate’s Reputation Scorecard.

Allstate’s Reputation Scorecard measures our performance against the expectations of our key stakeholders: agency owners, customers, employees, investors, policymakers, opinion leaders and consumers.

PROGRESS |  | **Did Not Achieve**

2011 - Did not achieve; progress varies by stakeholder group.

2010 - Established baseline.

BUSINESS PRACTICES: Employee Diversity

Earn a spot on The DiversityInc Top 50 Companies for Diversity® list on an annual basis. DiversityInc’s Top 50 measures four key areas: CEO Commitment, Human Capital, Corporate and Organizational Communications, and Supplier Diversity.

Companies must score above average in all four areas to earn a spot on the list and demonstrate strong consistency across the board in their diversity-management initiatives. Companies are measured within their industry classifications.

PROGRESS |  | **Achieved**

(continued)



BUSINESS PRACTICES: Employee Diversity *(continued from previous page)*

2011 - Achieved. Ranked 43rd among DiversityInc's Top 50 Companies for Diversity.

*Allstate has been notified that we have received this honor for 2012 as well (moving up to the 37th position—up six spots from the 2011 ranking)

2010 - Did not achieve.

2009 - Did not achieve.

2008 - Named to Top 25 Noteworthy Companies for Diversity, DiversityInc Magazine.

2007 - Achieved.

2006 - Achieved.

BUSINESS PRACTICES: Supplier Diversity

Achieve 9 percent of Allstate's total procurement spend with businesses owned by minorities, women, veterans and members of the lesbian, gay, bisexual and transgender community by 2015.

PROGRESS |  | On Track To Meet Goal

2011 - On target: 5.9%

2010 - 5.4%

2009 - 5.7%

2008 - 4.1%

2007 - 5.0%

2006 - 4.2%

ENVIRONMENT: Energy Reduction

Reduce energy use 20% by 2020 for Allstate-owned facilities (compared to our 2007 baseline).

Our focus is on improving energy efficiency of Allstate's operations, reducing electricity demand and exploring renewable energy options.

PROGRESS |  | Achieved

(continued)

ENVIRONMENT: Energy Reduction *(continued from previous page)***2011 - 4.76% reduction from 2007 baseline (5.06% reduction from 2010)**

2010 - 0.32% increase from 2007 baseline (0.96% reduction from 2009)

2009 - 1.29% increase from 2007 baseline (0.29% reduction from 2008)

2008 - 1.58% increase from 2007 baseline

2007 - Baseline set

* Over the past year, we improved our data collection management systems, and we are now able to report better on our energy use and emissions data. As a result, our reported numbers from previous years are slightly different this year, reflecting our more accurate accounting systems.

ENVIRONMENT: Carbon Footprint

Maintain or reduce Allstate's carbon footprint on an annual basis.

Allstate regularly publishes the company's environmental performance in our annual response to the [Carbon Disclosure Project](#) survey (using 2007 as baseline).

Carbon footprint reductions are driven primarily through improved operational efficiency of company-owned buildings, use of more fuel-efficient vehicles in our corporate fleet, and more carefully regulated air travel by employees.

PROGRESS |  | **Achieved****2011 - Achieved (9% decrease over prior year, total 25% reduction since 2007)**

2010 - Achieved (3% decrease over prior year, total 15% reduction since 2007)

2009 - Achieved (7% decrease over prior year, total 12% reduction since 2007)

2008 - Achieved (5% decrease over prior year)

2007 - Baseline set

ENVIRONMENT: Real Estate

Focus on the sustainability of our real estate by ensuring that many major office renovations and most new construction projects are Leadership in Energy and Environmental Design (LEED) certified by the U.S. Green Building Council.

PROGRESS |  | **Achieved****2011 - New Idaho call center in Chubbuck-Pocatello achieved LEED Silver certification.**

2010 - Pursuing LEED certification of new Idaho call-in center in Chubbuck-Pocatello, Idaho, slated to open in 2011.



ENVIRONMENT: Paper Reduction – Employee Focus

Reduce overall internal employee-use office paper by 25% by 2010. New goal is to maintain paper-reduction levels established in 2010.

In mid-2009, Allstate set a goal to reduce office paper use in our corporate facilities by 25% by 2010.

PROGRESS | | Achieved

2011 – Achieved. 11.4% reduction from 2010 level.

2010 – Achieved. 41% reduction in office paper in our corporate headquarters and more than 50% in our field offices compared to our 2008 baseline.

2009 – Well on pace to achieve 2010 target: 21% reduction.

2008 – Baseline set.

ENVIRONMENT: Paper Reduction – Customer Focus

Reduce paper delivery to customers by 20% by 2013 (2009 baseline).

We're reducing the volume of paper sent to customers through the use of convenient, cost-effective and environmentally friendly options for customers such as EZPay, eBill and ePolicy.

PROGRESS | | Achieved

2011 – Achieved reduced customer paper by 22.4%, saving approximately 24 million pieces of paper.

2010 – Well on pace to achieve 2013 target: 11.8% reduction totaling approximately 14 million pieces of paper saved.

2009 – Baseline set.

SOCIAL IMPACT: Teen Safe Driving

Contribute to reducing teen driving fatalities by 50% and create the safest generation of teen drivers by 2015 (2008 baseline).

We are making “smart” driving socially acceptable to teens by using the power of peer-to-peer influence to inform, involve and empower them to understand the dangers associated with driving so that they change the way they think and act in the car and become safe driving advocates.

In addition, in 2011 we conducted new efforts to help educate the public about the value and importance of stronger teen driving laws, which have proven to save lives on the road.

(continued)

**SOCIAL IMPACT: Teen Safe Driving** *(continued from previous page)***PROGRESS** |  | **On Track To Meet Goal****2011 — On pace to achieve 2015 target.**

Allstate Foundation Teen Safe Driving program exceeded its social impact goals for 2011; more than 6.3 million teens were informed¹, more than 830,000 were involved², and more than 43,000 were empowered³. Deaths on U.S. roads have decreased by about 23% since 2008 (from 4,070 teens killed in 2008 to 3,115 teens killed in 2010).

1. Informed - the number of teens reached through teen-to-teen activism programs, contests and projects; the number of visitors to KeeptheDrive.com; and the number of teens reached through teen-specific media.

2. Involved - the number of teens actively participating in program activities; and the number of tools downloaded from KeeptheDrive.com.

3. Empowered - the number of teens who led activism projects.

SOCIAL IMPACT: Financial Empowerment for Domestic Violence Survivors

2011 Goal: Reach 50,000 survivors of domestic violence with Allstate Foundation-funded financial empowerment services by 2015.

2012 Revised Goal: Reach 500,000 survivors of domestic violence with Allstate Foundation-funded financial empowerment services by 2015.

Empower domestic violence survivors to increase their financial independence, which helps them end the cycle of violence to live and thrive free from abuse.

PROGRESS |  | **Achieved****2011 - Surpassed goal.**

In 2011, 80,995 survivors received financial empowerment services through the Allstate Foundation program; more than 100,000 have received these important services since the program began in 2005.

Because our program has grown tremendously in the last few years, we have ambitiously revised our goal and are now working to financially empower 500,000 survivors by 2015. From financial literacy to job training to asset-building projects, Foundation-funded programs are helping survivors move from safety to security



Organizational Profile

The Allstate Corporation is the largest publicly held personal lines property and casualty insurer in America.

We provide insurance products to 16 million households nationwide. Allstate was founded in 1931 and became a publicly traded company in 1993. We are listed on the New York Stock Exchange under the trading symbol ALL. Allstate is widely known through the “You’re In Good Hands With Allstate®” slogan.

In 2011, Allstate was number 89 on the Fortune 500 list of largest companies in America. Allstate had \$125.2 billion in total assets at the end of 2011, compared to \$130.5 billion at the end of 2010.

We also continued to reinvent protection and retirement for the consumer with innovative products. We launched Drive Wise®, a telematics offering that gives customers discounts based on their actual driving behaviors. Good Hands Roadside, the first nationwide pay-as-you-use roadside service, captured more than 390,000 members by the end of 2011. The four-state pilot of the new Claim Satisfaction Guarantee for auto insurance was successful and led to a cross-country launch early in 2012. We also made progress broadening our relationships with customers by increasing life insurance policies sold through Allstate Agencies in 2011 by 33 percent from the prior year.

This year, we are including expanded information on our operations in Canada and Northern Ireland, as well as online insurer Esurance, which we acquired in the fall of 2011. In the coming years, we will further integrate those operations into our data-collection and reporting processes.

89 *On the list of Fortune 500 Largest Companies in America in 2011.*



Our Shared Vision

Our Shared Vision provides the “why, how and what” behind everything we do at Allstate. It leverages our strengths while providing the road map for our continued success. When we achieve this vision, we will truly put the customer at the center of everything we do. We will become an even more valuable company to our customers, associates, investors, our communities and society — a company with strong earnings potential and financial performance that sets the benchmark for our industry.

Our Purpose

We are the Good Hands People®: We help people realize their hopes and dreams through products and services designed to protect them from life’s uncertainties and to prepare them for the future.

Strategic Vision

To reinvent protection and retirement for the consumer.

We have more than 30,000 employees. Of our employees, 32 percent are minorities; 59 percent are women.

Allstate has thousands of Exclusive Agents and financial representatives in the United States and Canada.

Allstate Agencies provide excellent service and a broad array of products to customers who want local advice and a personal relationship with us. We also recognize that some customers are increasingly interested in handling their own insurance needs. That’s why we acquired Esurance and Answer Financial in 2011. The acquisitions make Allstate the only personal lines company that has unique offerings for all customer segments.

**Our Values**

- Honesty, caring and integrity
- Inclusive diversity
- Engagement
- Accountability
- Superior performance

Corporate Goal

We will grow the value of our company for our customers, our associates, our shareholders, our communities and society.

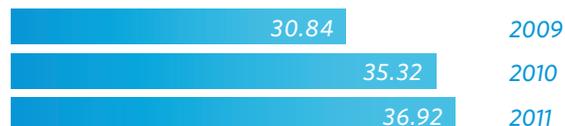
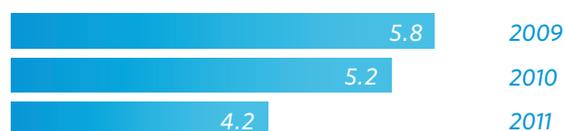
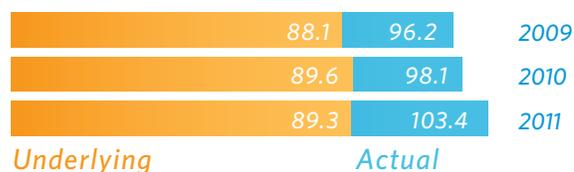
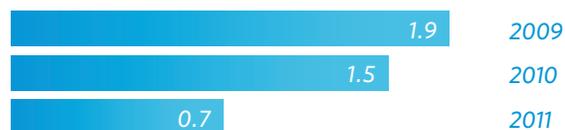
Our Principles

- Put the customer at the center of all of our work and provide the products and services they need in ways they want them.
- Take an enterprise view of our people and processes and work as a single team to advance Allstate rather than our individual interests.
- Provide superior returns to shareholders by growing and leveraging risk and return trade-offs.
- Focus relentlessly on those few things that will provide the greatest impact.
- Execute well-considered decisions with precision and speed.
- Hire carefully, develop and inspire aggressively, manage respectfully, empower, reward and celebrate appropriately.
- Be a learning organization.

Our Operating Priorities

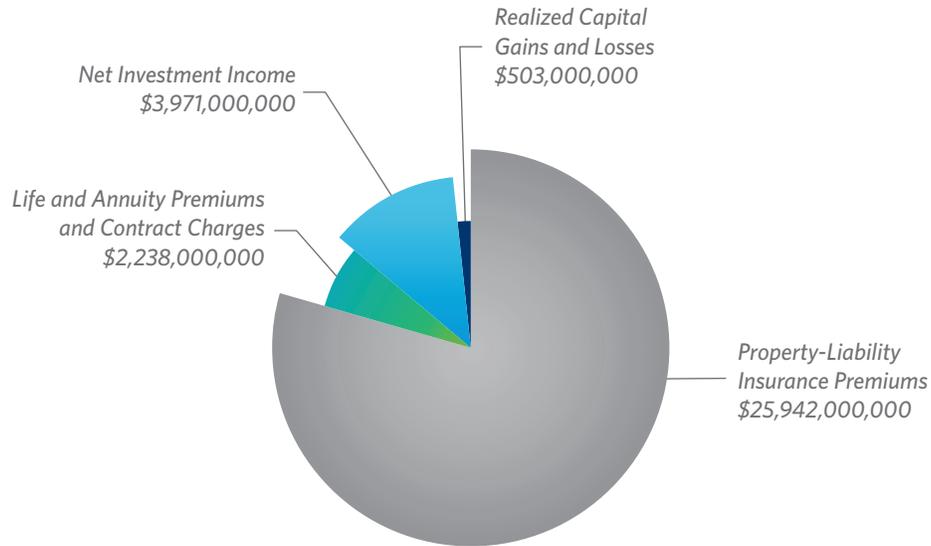
- Consumer focus
- Operational excellence
- Enterprise risk and return
- Capital management

For more information, view our vital statistics, which provide information on a state-by-state level.

2011 ANNUAL REVENUE BREAKDOWN**Book Value Per Share (\$)****Return On Equity (%)****Revenue (\$ Billions)****Underlying and Actual Combined Ratios****Operating Income (\$ Billions)****Net Income Per Diluted Share (\$)**



2011 ANNUAL REVENUE BY BUSINESS LINE



Financial Strength and Performance

Financial discipline. Prudent decision making. Proactive capital management. These attributes enable Allstate to meet the needs of its customers, reward shareholders and employees, and invest for the future during good and bad economic conditions alike. Financial strength is a prerequisite to grow our business and keep our promises to our customers, investors, employees and communities.

Allstate is one of the strongest companies in our industry. Both Allstate Insurance Company and Allstate Life Insurance Company received an A.M. Best financial strength rating of A+ (superior). At year-end 2011, Allstate held \$18.3 billion in capital and our well-diversified investment portfolio exceeded \$95.6 billion.

This financial strength benefited Allstate in 2011, a year in which the insurance industry faced continued high costs from extreme weather. While 2011 net income of \$787 million, or \$1.50 per diluted share, was lower than in 2010, we still increased book value per share by 4.6 percent and returned nearly \$1.4 billion to shareholders through dividends and stock repurchases. Revenues were \$32.65 billion in 2011 versus \$31.4 billion in 2010. During 2011, we also continued to invest in initiatives that help make communities safer and stronger.

Visit Allstate.com for current information about our financial strength, assets, investment portfolio, net income and revenues.

For more detailed financial information, see our most recent [Annual Report](#).



Allstate Canada

With more than 1,100 employees and 670 agents, Allstate Canada serves five provincial markets in Alberta, Ontario, Quebec, New Brunswick and Nova Scotia with individual and personal lines of insurance. Its net income in 2011 was US\$77 million.



Message from Allstate Canada CEO John O'Donnell

Allstate Canada takes an engaged approach to community involvement. Our mission as part of The Allstate Corporation is to understand that though life is uncertain, we bring strength, experience and

care to everything we do. We are committed to profitable, sustainable growth, delivered hand-in-hand with exceptional customer experience. This enables us to make a commitment to provide year-over-year financial and volunteer contributions to organizations who partner with us in our belief that we can be a part of creating safe, sustainable, healthy communities for all Canadians.

Consistent with the vision of our parent company, our business is founded on the philosophy of keeping not only our customers, but also our communities, in good hands. It's the way we operate and a proof point of our core business footprint in Canada, the provision of personal lines home and automobile insurance products and services.

For more than 30 years, the separately funded Canadian Allstate Foundation has provided grants to charities and not-for-profit organizations across the country. Our agents, claims and head office employees are encouraged to carry out work that supports our proud heritage of personal and community involvement. Through volunteer efforts, our employees lend a hand to a wide range of organizations such as United Way, Women's Centers, hospitals, and numerous not-for-profit and charitable enterprises that give back directly to the local community where our employees and customers live and work.

National sponsorship programs with MADD Canada, Junior Achievement and our Allstate All-Canadians "mentorship through hockey" program with the NHLPA underscore our promise to invest in the youth and young leaders of tomorrow

ALLSTATE CANADA: MAKING A WORLD OF DIFFERENCE

Allstate Canada is committed to making a positive difference in the communities in which it operates. Allstate Canada has a separate Foundation with \$7.7 million in capital generating an average return of \$250,000 for distribution through grants. It is regulated by the Canada Revenue Agency. The Foundation's mission is to contribute to building safe and healthy communities through the dedication of resources and employee volunteer efforts.

Some featured partnerships include:

Mothers Against Drunk Driving (MADD Canada)

Allstate Canada has supported the work of MADD Canada for nearly 25 years. We are proud to be the Title Sponsor of Project Red Ribbon, the National Sponsor of MADD Canada's School Assembly Program and Official Sponsor of Campaign 911.

United Way

For more than 50 years, Allstate employees have volunteered their time and donated dollars to help fulfill United Way's mission to improve lives and build community.

Crime Stoppers

Allstate agencies and staff support local Crime Stoppers initiatives across the country to help in the fight against crime.

Allstate Canada is also active in a number of public relations campaigns and community initiatives related to consumer knowledge and safety, insurance education, safe driving awareness fraud awareness, and home renovation considerations.



in ways that will sustain our vision well into the future. Our ability to make a difference is truly a reflection of the generosity and willingness of Allstate Canada employees to invest their time, passion and expertise in helping others.

Two key programs, Action Against Distraction and MADD Canada's Project Red Ribbon, have become cornerstones for Allstate Canada. These education campaigns focus on young and experienced drivers alike in an attempt to reduce driving fatalities and keep our roads safe.

We believe strengthening the social fabric of the communities in which we live and work is the hallmark of good corporate citizenship. Accordingly, Allstate Canada will continue to pursue policies and programs that have a tangible positive social impact.

Esurance

Esurance provides insurance products and services direct to consumers online and over the phone in 32 states. Based in San Francisco, the company has over 2,000 employees in offices around the United States. Esurance empowers consumers to make smart decisions about their insurance with easy-to-use online tools and mobile apps, and unique features such as quick comparison quotes and online repair monitoring.



Commitment to Corporate Responsibility

Since its inception as a Silicon Valley start-up in 1999, Esurance has always been a leader in changing the industry for the better. The company helps the environment by reinventing a traditionally paper-heavy industry and offering a near-paperless experience for customers by making insurance policies and documents available online. Esurance also has a claims fleet that's 100 percent hybrid, which reduces the company's driving emissions of smog-forming pollutants by up to 90 percent and cuts carbon dioxide emissions in half.

Esurance was one of the first car insurance companies to offer car insurance discounts to domestic partners who list on the same policy, and the company received a perfect score from the Human Rights Campaign's Corporate Equality Index for four years running. This achievement reflects Esurance's commitment to equality and diversity — qualities the company strives to share with communities across the nation.

Esurance has long promoted and sponsored Pride events around the country. In 2011, Esurance extended its support to

The Trevor Project, the leading national organization providing crisis intervention and suicide prevention services to lesbian, gay, bisexual, transgender, and questioning (LGBTQ) youth. Calling on the support of fans on Facebook, Esurance pledged to give [The Trevor Project](#) \$10 for every "Like" received. With the Facebook community's help, the company reached its \$50,000 donation goal in a matter of weeks. Esurance [won a PR Newswire inaugural 2011 "Earnie" award](#) for this creative social media campaign.

Esurance supports its communities through its grant programs. In 2011, Esurance associates contributed \$81,282 to charitable organizations through the Matching Gift Program, which Esurance matched dollar-for-dollar. Esurance also awards annual grants to charitable organizations nominated by its associates in each of its offices. Among the organizations that received grants from Esurance in 2011 are:

- **Atlanta** – Children's Healthcare of Atlanta
- **New York** – Leukemia & Lymphoma Society – New York City Chapter
- **Dallas** – Richardson Corporate Challenge for Special Olympics Texas
- **Denver** – Ronald McDonald House Charities of Denver



- **San Francisco** – San Francisco Food Bank
- **Madison** – Dane County Humane Society
- **Phoenix** – Paz de Cristo and Children’s Cancer Network
- **Sioux Falls** – Second Chance Rescue Center

Since 2005, Esurance associates have been involved with local tree-planting organizations such as the Texas Trees Foundation and Greening of Detroit, helping to plant more than 100,000 trees in communities around the country.

In 2011, Esurance worked with NativeEnergy to support the Laurelbrook Farm Compost Project. This effort allowed Esurance to offset 100 percent of the energy used in its permanent office locations nationwide, as well as the carbon emissions from its fleet of hybrid vehicles.

The project is estimated to prevent more than 15,000 tons of greenhouse gas pollution over the next ten years. In addition, Esurance partners with Zimride to provide an easy way to carpool to Esurance-sponsored events, and in 2011, people who shared rides to Esurance events saved nearly 850,000 driving miles.



Message from Gary Tolman, President and CEO, Esurance

I am truly inspired by our associates’ energy and enthusiasm for giving back to the communities in which they and our

customers live and work. Through their efforts, we’ve formed symbiotic relationships with local groups and connected with communities across the country in a much more meaningful way. Community involvement, both socially and environmentally, is a cornerstone of our company philosophy.

Allstate Northern Ireland

Allstate Northern Ireland (ANI), formerly called Northbrook Technology, was established in Belfast in 1998 and provides high-quality software development services and business process outsourcing solutions in support of our U.S. parent’s global operations.

ANI plays a strategic role in developing, transforming and maintaining the various technology platforms used to support Allstate’s day-to-day business. From our inception, we have built a culture of corporate responsibility that focuses on our commitment to our community, our environment and our people. This year, we published our first Corporate Responsibility Report, which can be found online [here](#).

Among our top accomplishments in 2011:

Community: Our efforts in supporting the communities we live and work in include the donations and volunteer time given by ANI to local and global charities. In 2011, Allstate Northern Ireland employees raised nearly £85,000 (US\$132,000) across all three offices in Belfast, L’Derry and Strabane, and donated more than 4,000 hours through volunteering.

For every hour of volunteered employee time donated, the company matches it.

ANI is also dedicated to developing the local economy and supporting the local IT industry. We are involved in several initiatives aimed at encouraging young people to consider careers in computing and offering students work experience opportunities in a range of business areas. In addition, we encourage employees to represent the IT industry at various events to provide guidance to companies on best practices.

Environment: While ANI doesn’t have factories or manufacture products, we still believe we have a responsibility to protect the environment. We comply with all relevant legislation and minimize our impact on the environment by conserving



energy and purchasing 100 percent of our electricity from renewable sources, conserving water, managing waste by encouraging large-scale recycling efforts, raising awareness of environmental matters among our employees, and implementing a Greener Travel program that includes a very successful Bike to Work program as well as videoconferencing and car-sharing options.

People: Just as stewardship of the environment is important to our operations, so is stewardship of our workforce. Because

we place a high importance on making sure that employees are engaged and happy in their work, our people strategy focuses on three main areas: work/life balance, tailoring work schedules to meet employees' needs through remote work, flex-time, and career breaks; employee health and well-being, promoting healthier lifestyles for our employees through health information sessions, flu shots, and competitive health care benefits; and diversity, hiring high representations of females, minorities and employees with disabilities, as well as employees who are older than the normal age of retirement.



Statement from Bro McFerran, Managing Director, Allstate Northern Ireland

At Allstate Northern Ireland (ANI) we want to make a difference in Our People, Our Community and Our Environment. Since we commenced business in 1999, ANI employee volunteers have raised money for local and international charities, donated countless hours to innovative volunteering programs, developed working policies to improve the health and well-being of our employees, helped build the IT economy in Northern Ireland, made strides in reducing our impact on the environment, and much more.

Under the leadership of Rose Kelly, Vice President & Chief Administrative Officer, our comprehensive Corporate Responsibility program in Northern Ireland has won multiple accolades, including the highly prestigious Northern Ireland Responsible Company of the Year 2011-12 business award. As Managing Director, I take great pride in our efforts and achievements and pay tribute to the commitment of everyone at ANI who works on our wide range of community service initiatives to make a difference.

Corporate Governance

Strong corporate governance is a critical component to our success in driving sustained value. We are working diligently to ensure executive and Board-level transparency and accountability.

Corporate Governance Structure

The Allstate Board of Directors has ultimate responsibility for the conduct of the company. In 2011, our Board was comprised of 11 members including Thomas J. Wilson, who serves as Chairman of the Board, President and Chief Executive Officer of Allstate. Mr. Wilson has served as Chairman of Allstate since May 2008 and as President and Chief Executive Officer since January 2007.

The Board is responsible for selecting the Chairman of the Board and the Chief Executive Officer (CEO). Allstate's

Corporate Governance Guidelines allow the Board to allocate the responsibilities of these positions in any way that it considers to be in Allstate's best interest. The Board believes such flexibility helps it adapt the leadership function to changing circumstances.

In 2011 the Board also elected a lead independent director who, among other duties, presides at all Board meetings where the Chairman is not present and at all executive sessions; serves as a liaison between the Chairman and the independent directors when necessary to provide a supplemental channel



of communications; works with the Chairman to develop Board meeting agendas, schedules and information provided to the Board; and communicates with significant stockholders on matters involving broad corporate policies and practices when appropriate.

The CEO meets at least annually with the Compensation and Succession Committee and the Nominating and Governance Committee, either separately or jointly, as appropriate, to discuss succession planning and management development for senior executives. The senior leadership team is selected by the CEO and is responsible for the day-to-day management of the business. The Board acts as advisor to senior leadership and oversees its performance. The Compensation and Succession Committee reviews succession plans for senior officers, confers with the Chief Executive Officer about executives' qualifications for potential senior leadership vacancies, and recommends to the Board officer elections.

Allstate's Board of Directors has adopted "Director Independence Standards" which are applied to determine that each nominee, with the exception of Mr. Wilson, is independent in accordance with Allstate's Corporate Governance Guidelines.

These Guidelines also include criteria used in selecting nominees for election to the Board. These criteria are periodically reviewed to ensure they appropriately reflect the issues that should be considered in evaluating director candidates. The Nominating and Governance Committee recommends criteria for assessment of the performance of the Board of Directors.

Management reports annually to the Nominating and Governance Committee the status of the Corporation's Board compensation in relation to peer companies. No specific element of the Board's compensation is directly based on the Corporation's sustainability performance. To link compensation with corporate performance, a meaningful portion of each director's compensation is provided in the form of restricted stock units which currently provide for delivery of the underlying shares of Allstate common stock upon the earlier of a) the date of the director's death or disability or b) the date the director leaves the Board. Within five years of joining the Board, each director is expected to

accumulate an ownership position in Allstate securities equal to five times the value of the annual cash retainer paid for Board service.

A full description of the Corporation's director compensation is provided in the Corporation's annual proxy statement available on the Investor Relations page within the About Allstate section of our website.

Governance of Sustainability

Allstate's Office of Public Social Responsibility, which resides in the company's Corporate Relations department, is responsible for managing sustainability, corporate responsibility and environmental reporting, strategic philanthropy and companywide volunteer service. It reports regularly to our Senior Leadership Team to keep them apprised of sustainability issues and initiatives.

In addition to the Public Social Responsibility team, we established a Sustainability Leadership Committee in 2009, composed of officers and senior staff from all areas of the company. The Committee meets quarterly to review our environmental efforts from an enterprise-wide perspective, build alignment, create momentum for Allstate's heightened sustainability efforts, and identify opportunities associated with environmental responsibility and climate change.

Allstate's Sustainability Leadership Committee completes an annual review of the company's operations, stakeholder expectations and competitive actions to identify internal opportunities related to climate change. The Committee considers potential opportunities related to: employee engagement, current and future regulation, improved operational efficiencies, and customer and consumer expectations.

Allstate's Vice President of Public Social Responsibility, who leads the Sustainability Leadership Committee, reports to the Senior Leadership Team on the efforts and assessments of the Committee. These results are then reported to the Board when necessary.

More details regarding oversight can be found on the Risk Management page of this report.



In My Good HandsSM — The Allstate Code of Ethics

Always doing the right thing in the right way for the right reason is essential to Allstate's business and our reputation. It builds trust and strengthens the bonds between the company, our customers and other stakeholders. We put our values into action through our behaviors, decisions and interactions every day.

That's why a comprehensive Code of Ethics applies to all our employees and Board of Directors. The Code covers a range of topics — including conflicts of interest, workplace safety, harassment and discrimination, protection of data and insider trading.

The Code of Ethics is available at www.allstatecodeofethics.com.

Training and Communication

Ethical conduct is everyone's business at Allstate. We continuously evaluate new and better ways to ensure that all employees understand our ethical standards, their roles in upholding those standards, and how they apply to their job responsibilities.

Our Code of Ethics was updated in 2012 to provide greater guidance on company expectations. It discusses Allstate's purpose, and includes photos and images of actual Allstate employees, agents and customers as well as leadership quotes and business-based question-and-answer scenarios.

To reinforce these values and principles, Allstate provides online training and ethical leadership workshops. Each year, all employees are required to acknowledge their understanding and commitment to compliance with our Code of Ethics and company policies.

Recognition

The Allstate Ethics and Compliance (ACE) Awards are one of two corporate-wide awards. They recognize employees who are role models, demonstrating behaviors and decisions aligned with Allstate's core values. Recipients of this award are selected semiannually by a panel of judges including the chief ethics and compliance officer, a member of the senior leadership team and a past recipient of the award. An annual luncheon is held to honor award recipients. Allstate's CEO provided the keynote speech for the 2011-2012 event. The ACE Awards reaffirm the importance of ethics in our daily business dealings with customers, coworkers and the communities we serve.

Reporting Concerns

All employees are encouraged — and expected — to report any sign of misconduct in the workplace. Concerns can be raised through supervisors or local Human Resources consultants. Allstate policy and the Code of Ethics prohibit any form of retaliation for reporting a workplace or ethical concern.

Additionally, employees and non-employees can report violations, even anonymously, by contacting Allstate i-Report at 1-800-706-9855, a 24/7 toll-free number. Once a concern is raised, it will be investigated to determine what further actions may be necessary. If necessary, appropriate actions will be taken and discipline may be administered.



Inclusive Diversity

In an increasingly diverse marketplace with changing demographics, customer preferences and needs, a corporate culture that encompasses diverse backgrounds and points of view is a strategic business imperative. So inclusive diversity is a core value at Allstate and receives full support from all levels of the company.

Diversity goes far beyond gender, ethnicity and religion. It encompasses every possible combination of people and places, backgrounds and values. Allstate serves 16 million households, each one unique. Our more than 70,000 employees, agency owners and staff — each with particular skills and strengths — serve thousands of communities, each with its own character and needs.

Inclusive diversity isn't a single goal or program:

- For customers, it means being understood for who they are, how they live and what they need.
- For employees and agencies, it means being fully valued and supported.
- For leaders, it means bringing out the best in qualified people from all backgrounds.
- For communities, it means partnering on issues important to all.



For more information, view our 2011 Key Metrics.

[Download PDF \(295 KB\) >](#)

For Allstate, valuing diversity keeps us more in tune and in touch with our diverse customer base. It energizes employees when their ideas and contributions are heard, improves productivity and sparks innovation. It leads to higher levels of employee engagement, better communities and greater growth for Allstate.

Diversity Strategy

Our diversity strategy is set by the CEO and our Enterprise Diversity Leadership Council and implemented by our

Chief Diversity Officer. Over the years, our commitment to inclusion and diversity has been recognized by more than 45 media publications and associations that monitor diversity and workplace issues. To learn more, see the [Awards and Recognition](#) we receive annually for our programs.

Read more about diversity in our workforce in the Employees section, diversity among our suppliers in our Business Practices section, and diversity among our agents in the Agency Owners section of this report.

Workplace Diversity

Inclusive diversity is important to creating a high-performance culture at Allstate. Hiring and retaining high-value employees from diverse backgrounds helps us develop and market high-value products that meet diverse needs, which in turn helps us attract and retain high-value customers from diverse markets.

In 2011, Allstate reclaimed its spot on The DiversityInc Top 50 Companies for Diversity® list, which measures CEO commitment, human capital, corporate and organizational communications, and supplier diversity. Companies must score above average in all four areas and demonstrate strong consistency across the board in their diversity-management initiatives to earn a spot on the list. Companies are measured within their industry classifications.

Key measures in 2011 that helped Allstate achieve this recognition include:

- Increased CEO support for Employee Resource Groups (ERG) (see below), including an annual meeting with ERG leaders
- Close collaboration between our Chief Diversity Officer and our CEO
- Strong representation by females on our Board of Directors
- Strong gender diversity numbers among top management
- Nearly 10 percent of our staff participates in ERGs



Supporting diversity within our workforce also means promoting inclusion, work/life balance, dignity and respect, lifelong learning, commitment to appropriate representation, and leveraging differences to strengthen innovation and creativity.

We also provide diversity education, career advancement and development options, accountability measurement, mentoring programs and support networks to all employees.

In 2011, we increased our efforts to build a talent pipeline with women and minorities. We enhanced our diversity education course with a greater focus on cultural competence — or the ability to relate effectively to individuals from various groups. Our benefits package also offers a variety of options, reflecting the value Allstate places on employees' diverse needs.

Among Allstate's employees, nearly 60 percent are women, and more than 30 percent are minorities. Nearly 50 percent of officers and managers are women and 23 percent come from one of five minority groups.

At the executive level, diversity scores improved as well. Women now make up 30 percent of our top management positions in the company.

Employees connect with each other and build relationships through [Employee Network and Business Resource Groups Across Allstate](#) — organizations of employees with common interests that are officially recognized by the company. Groups are organized around special interests but are open to all employees. Individual groups support members through mentoring, networking and providing a variety of social and career development activities. They also give back to communities and take part in a number of corporate initiatives such as the Thanks a Million Campaign and consumer research.

Current groups include:

- AWIN – Allstate Women's Information Network
- PLAN – Professional Latino Allstate Network
- 3AN – Allstate Asian American Network
- ANGLES – Allstate Network of Gay and Lesbian Employees and Supporters
- AAWN – African American Working Network
- AAN – Allstate Adoption Network
- YPO – Young Professionals Organization
- PWT – Parents Working Together (created in 2012)
- AVETS – Allstate Veteran Engagement Team & Supporters (created in 2012)

In 2011, network groups received monetary support from the company for the first time. The funds were used for activities and to help with planning and managing group budgets. Allstate expanded its support for group presidents by helping them develop their leadership skills.

We also significantly increased the level of collaboration and information sharing among groups. One major result was the development of a common mission statement, vision and strategic objectives that applied to all employee network groups.

More information and a list of achievements for this year can be found in the "[Employee Network and Business Resource Groups 2011 Annual Report](#)."

Read more about diversity among our suppliers in our Business Practices section and diversity among our agents in the Agency Owners section of this report.



Stakeholders

Listening is the first step to leading. That's why we make improved engagement with all our stakeholders a top priority. And in 2011, we made important progress toward meeting this goal.

Who and How We Serve

Our stakeholders include employees, agency owners, investors, customers, consumers, policymakers and opinion leaders. Understanding and responding to their expectations is essential to our success.



Why We Care

Our business is helping people protect what they have, and prepare for the future. So listening to customers and communities helps us manage the risks they face. It also helps us better understand their needs and how they are changing, so we can deliver innovative products and services in the best possible ways.

Listening to employees helps us tap their unique talents and meet their different development aspirations. Understanding both their needs and their skills helps improve Allstate's overall performance and enables us to meet our customers' evolving needs.

Listening to our agents helps us equip them with the resources to consistently serve and satisfy our customers. Because Allstate agents work in our communities every day, they also help us better understand where our social investments can have the greatest impact.

Listening to investors, consumers, policymakers and opinion leaders helps broaden our perspective, sharpen our skills and innovate in every phase of our operations.

What We Do

We interact with our stakeholders in many formal and informal ways, including forums, one-on-one meetings, regular phone calls and via email. **We also have several specific programs that engage various stakeholder groups:**

Stakeholder Engagement Panel

In 2011, we worked with the nonprofit Ceres to convene a panel with NGO representatives, investors and opinion leaders as well as top-level Allstate employees. The group gathered feedback on our performance and our plans, as well as information about our priority sustainability issues. Following this panel, we undertook a rigorous sustainability materiality analysis to identify existing and emerging sustainability risks and opportunities for the company. This panel will now meet twice a year to guide our strategy and evaluate progress with Allstate's leadership team.

Reputation Scorecard

For the second year, we used the Allstate Reputation Scorecard to measure overall reputation across all stakeholder groups, determine key drivers of reputation within each group, and identify the key expectations of our stakeholders.

The Reputation Scorecard measures stakeholder expectations and Allstate's performance against 32 key attributes across seven broad dimensions of reputation: Products and Services, Innovation, Governance, Workplace, Citizenship, Leadership and Financial Performance. The survey uses both quantitative and qualitative methods to determine what is most important to specific stakeholder audiences, as well as key expectations across all stakeholders.

From this Scorecard, we have identified that collectively our stakeholder groups expect Allstate to:

- Act ethically, fairly and responsibly
- Provide customers with a dependable, hassle-free relationship
- Provide clear and credible leadership and ensure financial stability
- Provide value at a competitive price
- Use its influence and local presence to support important causes



There is accountability at the highest levels of the company for meeting our stakeholders' expectations. The insights gained from the Scorecard also are shared across the enterprise, to better inform our business strategy, day-to-day decision making, messaging and communications.

National and Regional Advisory Boards

The National Advisory Board was formed in 2003 for the purpose of bringing together Allstate's senior leadership with a cross section of exclusive agents and exclusive financial specialists from around the country. The mission of the board is to maintain and enhance the dialogue among leadership, agency owners and financial specialists to address national agency/company business issues and work together to develop solutions that strengthen the agency/company relationship.

National Advisory Board members work together to provide input and develop actionable solutions for company and agency success.

They help lead and implement change by:

1. Listening to, hearing and understanding key issues from agency owners across the country
2. Suggesting and exploring ideas and advising upon strategies regarding national business issues
3. Improving the implementation of business decisions impacting agencies
4. Facilitating and maintaining alignment of purpose in support of Allstate's sales and customer service strategies
5. Sustaining an environment of trust and respect between company leadership and agency owners

A similar structure exists to support agency owner engagement within each of Allstate's 14 Regional offices in the U.S. as well as for Allstate Canada. These Regional Advisory Boards typically include agency owners who are involved in the National Advisory Board, as well as additional agency owners who represent the interests and concerns of fellow agents in their respective regions. These Regional Boards communicate directly with Allstate's Field Senior Vice Presidents and their staff to provide periodic feedback, raise issues and collaborate on key initiatives.

STAKEHOLDERS COMMUNICATION

Investors

<p>WHAT WE HEARD: <i>Conduct sustainability materiality assessment.</i></p>	<p>WHAT WE DID: <i>Completed in January 2012.</i></p>
<p>WHAT WE HEARD: <i>Develop a robust responsible investment strategy that aligns with sustainability objectives.</i></p>	<p>WHAT WE DID: <i>Published a comprehensive "Corporate Involvement in Public Policy" in early 2012, which is housed within this Corporate Responsibility Report under the "Public Policy" button at the top of this page. Allstate will update this content annually.</i></p>
<p>WHAT WE HEARD: <i>Provide clear, easy-to-find information about Allstate's involvement in the public policy process at the state and federal levels.</i></p>	<p>WHAT WE DID: <i>Published a comprehensive "Corporate Involvement in Public Policy" in early 2012, which is housed within this Corporate Responsibility Report under the "Public Policy" button at the top of this page. Allstate will update this content annually.</i></p>

Agency Owners

<p>WHAT WE HEARD: <i>Expand the education and engagement of agents on sustainability initiatives.</i></p>	<p>WHAT WE DID: <i>Due to more pressing business issues, made only minimal progress on this issue. Continued to prioritize paperless solutions for customers and agency owners. Also launched communication campaign to elevate awareness of Allstate's social responsibility and sustainability commitments.</i></p>
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**Customers****WHAT WE HEARD:***Build strong communities by providing financial expertise.***WHAT WE DID:***Launched the “The Savage Truth on Money presented by Allstate” series (with syndicated financial columnist Terry Savage) to provide investment and financial planning advice to customers and consumers in communities we serve.***WHAT WE HEARD:***Deliver reliable and dependable claims services.***WHAT WE DID:***Established the Claims Satisfaction Guarantee, through which an eligible customer can receive a credit to their auto policy if they are dissatisfied with the experience on a paid auto claim.***Employees****WHAT WE HEARD:***Provide better health and wellness programs.***WHAT WE DID:***Made significant investments in 2011 to expand our employee health and wellness policies and benefits. Launched a signature health and wellness initiative, which includes events, programs and information to support the physical, emotional and financial needs of employees and their family members — as well as work/life balance. Program includes a variety of other initiatives described in the Employee section of the report.***Opinion Leaders****WHAT WE HEARD:***Expect Allstate to play a leadership role in addressing relevant societal concerns.***WHAT WE DID:***Expanded our social impact goals and increased communications to opinion leaders about our Foundation and corporate community involvement programs. Also sought their feedback on our programs and intended outcomes.***All Stakeholders****WHAT WE HEARD:***Need to create a more holistic and robust climate change strategy.***WHAT WE DID:***Allstate’s Sustainability Leadership Committee will focus on developing a more cohesive strategy, with a goal to complete this work within the next 12 months (by mid-2013).***How We’re Doing**

The Reputation Scorecard key performance indicator was established in 2010 to measure how our reputation — which refers to the level of trust, respect, confidence and admiration earned and kept by the company’s diverse stakeholders — changes over the years. While our overall reputation remained relatively unchanged in 2011, we came away with valuable insights from each group on their expectations and our performance against them. By understanding our position with all of our stakeholders and what drives reputation for each group, we’re ensuring that their voice is represented in our decision-making processes.

Because the Scorecard is a relatively new metric for us, we are still learning how we can best use it to accurately report on our reputational performance. For example, we have found that we have different reputation standings with each of our stakeholder groups, making it difficult to accurately assess changes in our overall reputation. As a result, in future reports we will provide information on how we are building relationships with different stakeholder groups and the results of these efforts — rather than reporting an aggregate score. We will continue to include information on the Reputation Scorecard results. We also will highlight how



we've integrated insight from the Scorecard into business planning and implementation, helping us tailor our programs and communications.

Two examples of programs that were informed by the results of the Reputation Scorecard:

Claims Satisfaction Guarantee:

The Reputation Scorecard emphasized that reliable and dependable claims services are critical priorities for our customers. In 2011, Allstate piloted the Claims Satisfaction Guarantee, which is being launched in most states in 2012. Through the Claims Satisfaction Guarantee, eligible customers who are dissatisfied with their experience on a paid auto claim can receive a credit to their auto policy.

"The Savage Truth on Money presented by Allstate":

Several stakeholders said they expected Allstate to use more effectively its influence to better society. Through the Allstate-National Journal Heartland Monitor polling series, we learned that personal financial education was an important issue for our stakeholders, particularly in a challenging economy.

Armed with this information, Allstate worked with nationally known personal-finance expert Terry Savage to create a series of high-quality events, led by Savage, to educate customers

on the keys to financial planning. The events helped Agency Owners showcase their financial-planning expertise and demonstrate Allstate's full suite of products and services.

The program helped consumers better understand their financial options and opportunities — as evidenced by increased demand for the seminars. It also helped Allstate meet a request from agency owners for tools to help build their businesses — as evidenced by a 13 to 19 percent increase in life insurance sales by participating Agency Owners.

Looking Forward

We will continue to look to our stakeholders for important insights on a wide range of issues and topics. In particular, we are committed to hosting a stakeholder panel twice per year to review current and future strategic plans for Allstate, including our sustainability strategy. Members of the panel will be selected based on the value of their engagement, and will be reevaluated before and after each meeting.

We also will continue to find new ways to incorporate results from our Reputation Scorecard into strategy development, communications, and innovative products and services. Giving stakeholders greater input strengthens our relationships, builds our reputation and creates new business opportunities.

KEY PERFORMANCE INDICATORS AND GOALS

STAKEHOLDERS: Improve our reputation with all stakeholder groups

Improve overall reputation across all stakeholder groups by 3 percent as measured by Allstate's Reputation Scorecard.

Allstate's Reputation Scorecard measures our performance against the expectations of our key stakeholders: agency owners, customers, employees, investors, policymakers, opinion leaders and consumers.

PROGRESS |  | **Did Not Achieve**

2011 - Did not achieve; progress varies by stakeholder group.

2010 - Established baseline.



Our Customers

Our customers are the reason Allstate exists. So our priority is to help protect them and their families with a broad range of insurance products and services.

These include innovative offerings that help customers shop for policies online, save on rebuilding with sustainable building materials, earn discounts for safe driving habits, and prepare and protect themselves against natural disasters.

We also serve our customers by ensuring data privacy and protection, and reducing our own environmental impacts through expanded e-billing capabilities.

Meeting Our Customers' Changing Needs

As customers' expectations continue to change, most companies still insist on a one-size-fits-all approach to insurance. Allstate is the only provider committed to serving targeted customer segments with distinct brands and tailored value propositions through all delivery channels.

In response to customer input and preferences, we also recently launched several new products.

Esurance

In 2011, Allstate acquired Esurance — an online business platform that provides auto insurance quotes to customers who prefer automated processes and a branded product. The investment reinforces our commitment to serving customers where and how they choose to do business.

Read our overview on Esurance in the Organizational Profile section to learn more.

New Homeowners Policy "Green Improvement Reimbursement Endorsement"

In early 2012 we launched a new product that provides incentives to customers to rebuild homes using sustainable materials. In the event of a covered loss, a customer who purchased the Green Improvement Reimbursement Endorsement can replace covered damaged or destroyed appliances or equipment with more energy-efficient items and, under the endorsement, be reimbursed the additional cost incurred to replace those items.

The additional reimbursement applies to certain categories of Energy Star products rated as eco-friendly by the Environmental Protection Agency — appliances and equipment

like washers and refrigerators; computers and electronics; heating and cooling equipment, such as air conditioners and fans; as well as certain plumbing and building products. These products generally save electricity or water, reducing a home's carbon footprint while simultaneously lowering homeowners' utility bills.

We will continue to offer this feature to select customers, and we hope to expand it to a majority of states across the country by 2014.

Drive Wise

To reward safe and low-mileage drivers, Allstate launched Drive Wise®, a usage-based insurance product that rewards safe driving and helps customers better understand their driving behaviors. Policyholders self-install a telematics device that transmits driving data to Allstate. The customers' driving behavior and total mileage driven is then used to determine the Drive Wise performance discount.

More than 2,300 Allstate employees helped test and shape the program, including device design, features and enhancements. They logged more than 11 million miles and 350,000 hours of driving. Working with employees to test new products helps accelerate innovation and connects employees more closely with customer needs and business strategies.

Drive Wise includes a discount simply for enrolling in the program and plugging in the device. Further discounts can be earned at each renewal, based on driving performance. Rates will not go up based on driving scores.

Allstate launched Drive Wise in Arizona, Illinois and Ohio in 2011. Drive Wise will roll out to additional states in 2012, bringing telematics technology and potential discounts to participating drivers. As the program grows we also expect customers to see environmental benefits since safe driving behaviors also lead to more efficient driving, better fuel mileage and reduced emissions.

Protection for Customers Living in High-Risk Areas

In areas facing significant natural catastrophe risk, many homeowners face a challenge in finding available and affordable insurance. The insurance sector is highly regulated,



and efforts by state regulators to limit risk-based pricing can exacerbate the lack of affordable insurance. We support policy solutions to address the unique risks presented by large natural catastrophes so a well-functioning insurance market can serve consumers before and after a catastrophe strikes. We support efforts to help consumers understand the risks they face and steps they can take to mitigate those risks, and Allstate offers various discounts which recognize steps taken to make homes more resistant to extreme weather.

Allstate has created North Light Specialty, which offers personal lines property coverage on a non-admitted basis for unique, underserved customer segments or those residing in high-risk markets such as hurricane, wildfire or earthquake prone regions. North Light combines quality insurance from a well-known and established insurance group, with the efficiency and high-quality service of Allstate's claims service centers. In 2011, we expanded access to North Light to eight new states, bringing the total number of active states to 25.

Managing Customer Feedback and Relationships

Our customers are at the center of our work. In order to provide them with the products and services they need in the ways they want them, we need to listen and respond to their preferences and concerns at several points throughout our business interactions.

More specifically, we:

- Distribute a new customer experience survey that allows us to hear from customers on a regular basis, and helps us take action to improve their experience.
- Link our customer complaint dashboard to our customer experience report, leveraging and connecting verbatim comments from customer surveys and customer complaints to fully understand and address improvement opportunities.
- Offer the Claims Satisfaction Guarantee, an innovative breakthrough in personal auto protection. If an eligible customer is not happy with how their paid Allstate car insurance claim goes — for any reason — we will give them credit on their auto premium for up to six months. Nobody else does that.
- Provide additional e-business capabilities to give customers the services that want, how, when and where they choose. Customers can pay their bills, view policy information, initiate a claim or find an agent online and from their mobile devices using our Allstate Mobile application. We also increased our call center capabilities in 2011 with a fourth customer service center in Pocatello, Idaho.
- Tie the variable portion of the company's matching contribution to the 401(k) savings plan for employees to our internal customer loyalty measure. We believe improving

customer loyalty is everyone's business at Allstate.

- Encourage every employee to connect with customers via a new volunteer call program through which employees can reach out directly to customers with a simple message of thanks, showing our appreciation for their business.
- Collect customer data at several points throughout the claims process in order to deliver a better and consistent customer experience. This feedback positions us to respond more quickly to customer needs by refining processes and by delivering tools that allow us to establish an immediate and clear link between employee performance and the customer.
- Review communications to make sure they're clear, relevant and delivered in the method customers prefer.

Responsible Marketing Communications

Insurance is about managing risk and building trust. We enter into every customer relationship with full disclosure and a clear intent to foster a long-term relationship. Therefore, it is very important that our marketing materials and policies are clear, relevant and delivered in the method customers prefer. Our agents help educate customers on how to make insurance decisions that help ensure they have the products, coverage and services they want for their current and future needs.

Data Privacy and Protection

We respect the privacy of all individuals and take the necessary and legally required precautions to protect personal data. Keeping personal information secure at all times is fundamental to remaining a trusted business and employer. Not only is this the right thing to do, it is also mandated by increasingly stringent privacy laws in the states and countries where we do business. Personal information must be protected from discovery by unauthorized parties.

We respect and protect personal data by:

- Complying with all applicable privacy laws and company policies on privacy and information technology usage
- Requesting and retaining only the personal information that is needed
- Communicating clearly how personal information is used, retained and disclosed
- Respecting and protecting the privacy of every individual's personal information
- Embedding strong privacy protection practices in all business processes and systems
- Using a secure site when accessing personal information electronically



- Never leaving personal information on or around workstations, and locking away any printed personal information
- Immediately emailing Privacy Incident Management if we know or suspect personal information has been disclosed inappropriately
- Disclosing personal data or other confidential business information only to those who have a valid business need to know, or as required by law
- Requiring suppliers or business partners to safeguard confidential consumer information and only use it to provide the requested services
- Only sharing consumer or employee information as permitted by our Privacy Policy
- Committing to ongoing review of privacy policies and practices and their continuous improvement

We update our employees quarterly with information, training and resources to ensure that they understand our privacy policies. We offer our agents local courses on privacy issues and we provide current privacy information on our online agent portal. We also ensure that our customers are well

informed and educated on data practices by issuing a privacy statement at the point of contact and then annually thereafter.

What We Collect

In order to provide our customers with the best pricing and plans for their unique situation, we need to collect information that may include their name, phone number, home and email addresses, driver's license number, social security number, marital status, family member information and health care information. Also, we maintain records that include, but are not limited to, policy coverage, premiums and payment history. We also collect information from outside sources that may include, but is not limited to, your driving record, claims history, medical information and credit information.

Reporting Data Privacy Concerns

Questions about data privacy or suspected breaches of personal information can be directed to Allstate i-Report at 1-800-706-9855, a 24/7 toll-free number.

To learn more about how we use and share personal information as well as our Internet and information security policies, read our complete [Privacy Policy Statement](#).

Responsibility to Our People

Allstate people make sure we meet customer needs and expectations, help us reward shareholders and serve the communities where we live and work. We all rely on each other to get the job done. So Our Shared Vision commits the company to treating employees with respect and providing a supportive, stimulating and rewarding workplace.

We work hard to find and hire outstanding people, pay them competitively, offer opportunities to learn and develop, provide a safe and supportive work environment, continually challenge and reward them, ask for their input and measure their satisfaction. According to Allstate's 2011 employee survey (see below for more information), 87 percent of Allstate employees considered themselves "proud" to work for Allstate.

It starts with attracting top talent. We routinely evaluate our employment value proposition to ensure we can hire and motivate outstanding employees. For entry-level positions, we particularly attract students from schools with curriculums

that meet our core business needs (technology, finance, actuarial), including historically black colleges and universities.

We continue to educate college students about the many opportunities at Allstate that go beyond "selling insurance." We also offer a program that employs more than 100 interns a year, creating a talent pipeline for future full-time openings across Allstate. Our Leadership Development Program provides accelerated leadership opportunities to top recent college graduates — helping develop leaders who have a broad perspective on our business and who bring cross-functional, decision-making abilities to their work.



Employee Satisfaction and Engagement

To ensure our employee programs are effective, and to encourage input from employees themselves, we conduct an annual voluntary and confidential employee survey called VOICE. The survey measures how well employee perceptions and behaviors align with the values of Our Shared Vision — including honesty, inclusive diversity, accountability, superior performance and creating a work environment that allows our employees to do and be their best.

Survey questions focus on key priorities like employee engagement and satisfaction, manager and leadership effectiveness and customer focus. All employees, including officers, are invited to participate in VOICE, which is administered online by an outside vendor. The survey is designed and analyzed by our Human Resources team.

In 2009 and 2010, we experienced a decline in the employee response rate to VOICE, which may be partly attributable to changing the administration of the survey from anonymous to confidential. The trend reversed in 2011, with 63 percent of employees responding to the survey — a 5 percentage point increase from 2010.

A key measurement provided by VOICE is overall employee satisfaction. Our employee satisfaction rate in 2011 remained consistent with 2010 results at 78 percent.

Highlights from this year's results include:

1. Employees say that ethical behavior, the ability to collaborate and work together to achieve business goals, and the support they receive from leaders positively influence their satisfaction, engagement and intent to stay.
2. Employees are increasingly concerned about job security.



**For more information,
view our 2011
Key Metrics.**

[Download PDF \(295 KB\) >](#)

3. Employees place a high value on the ability to further their professional development and advance within Allstate.

Management teams across the company review and discuss survey results with employees, and create local action plans with a focus on improving areas with significant opportunities.

More broadly, we are committed to enhancing Allstate's overall value proposition as an employer. Initial efforts have focused on creating an integrated employee value proposition strategy and brand that will enhance our ability to attract and retain talent. We also have significantly improved our internal job opportunity processes to increase transparency and access as well as systems to help employees and their leaders better manage their careers. These areas will remain a priority for 2012 and beyond.

Employee Development and Continuous Learning

We want everyone at Allstate to excel. So we're committed to helping employees who want to change jobs, improve their skills or advance in a current role. We provide a variety of learning opportunities, including workshops, online classes, college degree and certification programs and on-the-job learning.

We offer tuition reimbursement for both graduate and undergraduate courses from accredited colleges and universities. We help employees and their family members secure loans and scholarships for private (K-12), undergraduate, graduate and professional education.

We provide financial support and flexible hours for employees who participate in industry certification and professional designation courses.

We make more than 4,000 learning assets available online, 24/7, to help employees develop business, interpersonal, technical and leadership skills. We support employee involvement in business conferences and professional associations.

Our learning and development programs also focus on giving employees and agency owners the opportunity to learn more about Allstate and better understand our business by interacting with top management. These include "town hall" meetings held at Allstate locations throughout the country, our Allstate NOW news website for all employees and our Gateway site for agency owners.

Employee Health and Wellness

Our 2010 Employee Satisfaction and Engagement survey results showed that many Allstate employees expected more from our health and wellness programs. As a result, we made significant investments in 2011 to expand these policies and benefits.

They included:

- Launching a signature health and wellness initiative, which includes events, programs and information to support the physical, emotional and financial needs of employees and their family members — as well as work/life balance.



- Creating a well-being online portal for employees and their families to easily access tools, resources and program information.
- Updating cafeteria menus with more healthy options, promoting healthy options (good choice meals), better nutrition labeling and subsidies on healthy options.
- Training more than 2,500 people in a one-and-a-half-day session, Energy for Life, which helps employees in all aspects of their lives by managing their energy more effectively.
- Launching a nationwide fitness program, Destination You, with more than 12,000 employees currently registered. After just four months of encouraging employees to increase their physical activity by walking more, we amassed more than four billion steps collectively.
- Promoting and organizing two wellness weeks.
 - Spring wellness week with a focus on nutrition.
 - Fall wellness week with a focus on movement. This event included an appearance by Magic Johnson and our biggest turnout for the annual Sprint and Stride event (more than 1,400 participants).
- Providing free biometric screenings to employees in home office and more than 100 field locations.
- Offering free flu shots in home office and approximately 60 field locations.
- Providing wellness incentives focused on “know, grow, go” to encourage employees to know the status of health, learn, and take action. We had more than 30% participation.
- Offered free well-being assessments, lifestyle coaching and disease management (DM) to employees and spouses/ domestic partners (if in an Allstate plan). Participants in the DM program experienced lower ER utilization, lower hospital admission rates and reductions in average hospital days.
- Developing a partnership with a local area hospital system to improve quality of care and maximize savings for employees in the Chicago area, where our highest concentration of employees reside.
- Introducing a national center of excellence program to remove barriers to access to high quality of care for surgical procedures (Bridge Health).
- Reducing self-insured medical premiums in 2012 based on good experience. Allstate’s average medical trend rate of 2.5% over a four-year period compared to national trend rates of more than 8 percent.

As a result of these changes, employee agreement with the statement, “At work, I’m encouraged to pursue healthy habits that will improve my overall well-being,” increased from 81 percent in 2010 to 91 percent in 2011. Overall, employee well-being results from the health risk assessment improved

from 69 percent in 2010 to 71 percent in 2011, exceeding the national average.

In 2012, we will open two on-site Wellness Centers, in Illinois and Texas. The Illinois facility will include:

- A full-time doctor and nurse practitioner with experience in family practice; physical therapist; pharmacist; and an on-site health coach.
- Four exam rooms, physical therapy room, private rooms for wellness coaching and a pharmacy.
- The center will be open to employees and retirees, spouses, domestic partners and dependent children.

Our facility in Texas will be similar to our Illinois facility, except that it will only have a nurse practitioner on staff, and it will not have physical therapy services or well-being coaching.

Financial well-being is also an important aspect of our overall employee offerings. In 2011, we took several steps to increase retirement readiness and financial literacy among our employees:

Retirement Readiness

- Instituted 401(k) auto enrollment for new employees.
 - Increased 401(k) participation rate from 81.5 to 82.7 percent
 - Increased 401(k) 5 percent match from 70.6 to 75.0 percent
- Added optional auto-escalation and auto-rebalancing
- To make participation easier for employees who may not be comfortable choosing their investments, Allstate added target retirement date funds. And to enhance choices in the 401(k), the company added a mid-cap fund and an enhanced international equity fund.

Engagement with Financial Literacy Tools

- Launched a Personal Finance Center, an online educational resource, for employees.
- Created a Retirement Guide and Checklist.
- Provided videos and articles related to financial literacy on the well-being portal.

Employee Safety

Providing a safe and healthy working environment is a priority for Allstate, and we strive to eliminate all accidents from our workplace. In 2011, 388 of our employees, or 1.2 percent of our employee population, filed a worker’s compensation claim for work-related injuries. Of these claims, 62 resulted in lost work time. The most common claims were due to slips and falls, material handling, repetitive motion and vehicle accidents.



If accidents do result in lost time, Allstate offers programs to help employees recover and return to work through the Integrated Disability Management Program, which combines short-term and long-term disability benefits with worker's compensation benefits.

Work/Life Balance

At Allstate, we understand that our employees' overall well-being depends on successfully managing the sometimes conflicting demands of work and family. In our 2011 employee survey, 92 percent of respondents said their immediate manager gives them the flexibility to balance work and personal time. To do this, we offer options for flexible work hours, telecommuting, part-time status and job sharing.

We also offer the LifeWorks® Employee Assistance Program as a free service to employees. It includes:

- 24-hours-a-day, seven-days-a-week LifeWorks® telephone access.
- Personalized consultations and assistance on issues such as parenting and child care, older adults, legal, financial,

education, work, addiction and recovery, emotional well-being and referral and crisis intervention services.

- Individual referrals to resources in the community.
- Educational materials, kits, booklets and audiotapes on a wide variety of topics.
- Access to more than 200 issue-specific resource rooms, booklets and audiotapes and more than 500 articles that address a wide variety of life issues such as domestic violence, alcohol and drug abuse and HIV/AIDS.

Compensation and Benefits

We reward our employees for their hard work with competitive salaries and a range of benefits tailored to the needs of individual employees and their families. In 2011 we paid \$2.4 billion in non-agent employee total compensation. This included payroll taxes countrywide totaling nearly \$174 million and \$900 million for benefits that help employees support their families and stay healthy.

Read more about diversity in our workplace in the Inclusive Diversity section.

Agency Owners

To nearly 90 percent of our customers, Allstate agency owners are the voice and the face of the company. To cities and towns across the country, they are savvy local business people who often lend a hand in the community. To Allstate as a whole, they are the indispensable link to the millions we serve, one at a time.

Allstate exclusive agency owners are independent contractors who represent Allstate exclusively. They know our products inside out. They know customers and their communities personally. And they know they can count on Allstate for support — from learning and development to support with business development, marketing, technology, claims handling, customer support online or over the phone, and more.

In addition to our thousands of exclusive agency owners in America, Allstate has relationships with more than 1,200 personal financial representatives who sell financial and

retirement products through existing Allstate agencies, and more than 3,000 independent agents who sell products under Allstate's Encompass brand.

Agent Satisfaction and Engagement

Because our relationship with agencies is vital to our company's success and to our customers, we regularly promote feedback and dialogue with agency owners and their employees through national and regional advisory boards, market meetings, national conferences and other programs.



In 2011, we enhanced our Agency Executive Council by creating a co-chair position. In this capacity, the co-chair represents the agency force when working with corporate leadership on Allstate's strategic direction and shared future. We also held our first National Forum, an event for all Allstate agency owners and financial specialists. Attendees had the opportunity to learn from and share ideas and experiences with their peers. At the Forum, we unveiled five commitments to agencies aimed at increasing their satisfaction:

- **Consistent, clear and unambiguous strategy** to help agents serve distinct customer segments with differentiated offerings
- **Competitive products** to promote product and market expansion
- **Clear market positioning and brand promise** to ensure all agents are easily accessible and all agency offices are branded correctly
- **Fair and equitable compensation**, including enhancements to bonus reporting
- **Infrastructure to enable growth** such as a new chat feature to help resolve customer issues countrywide

Each year, we conduct an Agency Relationship Survey to give agency owners and exclusive financial specialists an opportunity to share open and honest feedback about how they perceive their business relationship with Allstate. In 2011, our survey found that overall satisfaction declined, particularly among our exclusive agents. The top-level concerns included perceived stress and competition from the purchase of Esurance; changes in agency compensation programs, including an annual bonus program and a shift to variable compensation for agency owners; and concerns about incoming revenue due to the ongoing economic slowdown, which led to a reluctance by agency owners to invest in their business.

These survey results provide us with vitally important details about the needs of our workforce. Because we are committed to maintaining strong and positive relationships with agency owners and exclusive financial specialists, in 2011 we took on a number of projects aimed at improving our agent satisfaction, including:

- Improving the processes by which agencies earn Good Hands Certification, requiring half as much time to complete, thereby freeing up time for other efforts
- Creating an avenue for agency owners to provide direct, verbatim feedback to management
- Shifting our agency compensation programs based on agency owner feedback
- Developing guiding principles to reduce the operational tensions between Esurance and Allstate

In 2012, we convened our first ever National Forum week, an event that brought together agency owners, exclusive financial specialists, and sales leaders to discuss how best to improve our agents' satisfaction and continue to grow our business. The Forum week was a great success, with a survey of attendees finding a 96 percent overall satisfaction rate and 88 percent of attendees saying they felt positive and engaged about their role in the company's future. These Forums provided us a chance to show our appreciation and respect for the work of our agents and experts, and we look forward to following through on the ideas we generated together during Forum week.



**For more information,
view our 2011
Key Metrics.**

[Download PDF \(295 KB\) >](#)

Agency Diversity

Like the company they represent, Allstate's agencies profit from the strategy of inclusive diversity. Among Allstate agency owners, more than 23 percent are women and nearly 20 percent are minorities. The company also actively promotes a greater agency presence in areas with fast-growing multicultural populations.



Business Practices

Allstate sells a promise — to be there when it matters most, to help make things right. So trust lies at the heart of every relationship we have.

Why We Care

Earning the trust of our customers, employees, agency owners, suppliers, investors, policyholders and the public means always acting with integrity. Allstate upholds strong ethical practices in the ways we invest and manage our assets, monitor our own risks, and work with our partners and suppliers.

Our focus on responsible business practices builds resiliency in our supply chain, and it helps us manage our risks and opportunities and evolve to meet the changing needs of our customers and communities.

As Allstate's business grows, our commitment to transparency will not only help us meet growing expectations; also will hold us accountable for our actions and performance, improve decision making, and strengthen trust with our stakeholders.

What We're Doing

We focus on integrating our sustainable business practices and standards throughout our entire supply chain. This includes establishing sustainable procurement policies and working with suppliers to implement sound environmental policies. It also means investing in new efforts to increase supplier diversity and help such suppliers become more competitive.

We also ensure that our investment decisions are aligned with our company values and deliver on our commitments to customers and communities. Our growing Social Responsibility Investment portfolio continues to support affordable housing and neighborhood revitalization efforts, as well as other sustainability-related projects.

We also regularly assess potential corporate risks and opportunities, including those related to climate change.

How We're Doing

We are on target to achieve our supplier diversity goal of spending nine percent of Allstate's total procurement with businesses owned by minorities, women, veterans and members of the LGBT community by 2015. One notable achievement for 2011 was the launch of a 12-month mentorship program for diverse business owners to help them strengthen their businesses.

We also remain dedicated to expanding our sustainable supply chain policies, and focusing on areas that pose potential risks to our consumers or the environment.

In addition, we recognize the importance of sharing our involvement in public policy issues — a growing concern for several of our stakeholders. So this year, for the first time, we published a detailed report of such actions and policies. Read more in the Corporate Involvement in Public Policy section.

SUPPLIER DIVERSITY

Achieve
9%
by 2015

Allstate's Total Procurement with businesses owned by minorities, women, veterans and members of the lesbian, gay, bisexual, and transgender community

Progress



Looking Forward

We will continue to look for opportunities to strengthen our policies on sustainable procurement and proactively ensure that our suppliers are investing in sustainable business practices. We will also continue to build our diverse supplier mentorship program to help new businesses grow as well as secure the services that we need.

We remain dedicated to transparency and will continue to report annually on our public policy activities and engagement in external organizations, programs and initiatives.



KEY PERFORMANCE INDICATORS AND GOALS

BUSINESS PRACTICES: Employee Diversity

Earn a spot on The DiversityInc Top 50 Companies for Diversity® list on an annual basis. DiversityInc’s Top 50 measures four key areas: CEO Commitment, Human Capital, Corporate and Organizational Communications, and Supplier Diversity.

Companies must score above average in all four areas to earn a spot on the list and demonstrate strong consistency across the board in their diversity-management initiatives. Companies are measured within their industry classifications.

PROGRESS |  | Achieved

2011 - Achieved. Ranked 43rd among DiversityInc’s Top 50 Companies for Diversity.

*Allstate has been notified that we have received this honor for 2012 as well (moving up to the 37th position—up six spots from the 2011 ranking)

2010 - Did not achieve.

2009 - Did not achieve.

2008 - Named to Top 25 Noteworthy Companies for Diversity, DiversityInc Magazine.

2007 - Achieved.

2006 - Achieved.

BUSINESS PRACTICES: Supplier Diversity

Achieve 9 percent of Allstate’s total procurement spend with businesses owned by minorities, women, veterans and members of the lesbian, gay, bisexual and transgender community by 2015.

PROGRESS |  | On Track To Meet Goal

2011 - On target: 5.9%

2010 - 5.4%

2009 - 5.7%

2008 - 4.1%

2007 - 5.0%

2006 - 4.2%



Risk Management

Allstate's Enterprise Risk and Return Council (ERRC), a senior management committee appointed by the CEO and chaired by the Chief Risk Officer (CRO), directs enterprise risk and return management by establishing risk-return targets, determining economic capital levels and directing integrated strategies and actions from an enterprise perspective.

Among others, ERRC members include the CEO, enterprise and business unit Chief Risk Officers and Chief Financial Officers, General Counsel and Treasurer. The ERRC convenes monthly to assess and manage the various risks and opportunities faced by the company, which may include topics such as climate change.

The Board is responsible for the oversight of Allstate's business and management, including risk management. In exercising this responsibility, the Board regularly reviews strategy; business plans for Allstate's property and casualty business, life insurance and annuity business, and investment portfolio; liquidity and use of capital; and legal, regulatory, and legislative issues. Twice a year, the Board reviews Allstate's risk management objectives and processes. On a quarterly basis, the Audit Committee discusses risk assessment and risk management processes with management.

Read more about our risk-management systems and the risk factors identified in 2011 in our [Annual Report](#) or in our [Audit Committee Charter](#).



Managing Climate Risks

Climate change is among some of the significant enterprise risks and opportunities that are regularly managed by Allstate. We use fluid risk identification processes to reflect a continuously shifting external and internal risk environment. Business area risk owners identify risks and opportunities throughout the year, and Allstate monitors significant risk exposures in comparison to enterprise action plan targets quarterly through a comprehensive Enterprise Risk & Return Dashboard prepared for the ERRC and the Audit Committee of the Board of Directors.

This report captures potential risks related to climate such as catastrophic weather events and other factors such as auto and homeowner insurance claim frequencies and severities, business continuity and disaster recovery planning, and investment concentration. Regulatory, customer behavior changes, reputational and weather-related risks and opportunities are also considered. Financial modeling, scenario testing and management judgment are used to assess the significance of risks and opportunities including materiality.



Investment and Asset Management

Ensuring that Allstate fulfills its commitment to our customers, employees and shareholders means making sound investment decisions that position us to deliver the services and value they have come to expect. Our investment strategy focuses both on security for today and growth for tomorrow.

Returns on our investment portfolios are an important component of our financial results. Our seasoned investment team uses sophisticated economic forecasting tools and a strategic asset allocation approach that considers the nature of our liabilities and risk tolerances, as well as the risk and return parameters of the asset classes in which we invest.

One area of continued focus is municipal bonds. As of December 31, 2011, Allstate held approximately \$14 billion in bonds that help improve infrastructure and extend vital services in communities across the country. The portfolio is actively managed and well diversified among states and sectors. Major holdings include bonds that help fund primary and secondary schools, public and private universities, hospitals, single and multi-family housing programs, green energy projects — such as hydroelectric and wind generated power plants — police and fire stations, libraries and community buildings, and Economic Development Projects.

Allstate also invests in communities through Low-Income Housing Tax Credits (LIHTC), a federal program designed to provide market incentives to develop or rehabilitate affordable housing for low-income families, seniors and individuals with disabilities. The program encourages private investors to provide the equity needed to build quality housing solutions to help strengthen the communities where we live and work.

As of year-end 2011, Allstate has made financial commitments of \$635 million to LIHTC projects, while also providing solid investment returns. To date, our investments have helped develop 670 affordable housing complexes with more than 53,000 apartment units in urban, suburban and rural locations across the United States.

Highlighted below are two LIHTC projects completed in 2011 where Allstate provided the majority investment:



SAMUEL J. SIMMONS NCBA ESTATES

Samuel J. Simmons NCBA Estates provides 175 newly renovated, affordable housing units for seniors in the Columbia Heights neighborhood of Washington, D.C. Built in 1981, it was one of the first housing developments to spring up in Columbia Heights following riots that ravaged the neighborhood in the late 1970s. With substantial rehabilitation completed in 2011, Samuel J. Simmons NCBA Estates is again leading the way as Columbia Heights experiences a neighborhood renaissance, while offering safe and affordable homes to seniors who might otherwise be priced out of a neighborhood they have long called home.



TOBERMAN VILLAGE

In 2011, Allstate also invested in Toberman Village, which provides 49 units of new, affordable family housing in the working-class San Pedro neighborhood of Los Angeles, CA. Included in the development are units dedicated to households earning considerably less than the average median income for the local community.



At the end of 2011, Allstate's Social Responsibility Investment Portfolio had a book value of nearly \$70 million.

Some examples of how our investments have helped revitalize neighborhoods across the country:

- IMPACT Community Capital investments financed:
 - Child care facilities in low-income communities
 - Community healthcare facilities serving more than 100,000 patients in underserved areas
 - Affordable multi-family rental housing
 - Economic development-oriented commercial loans for small businesses in low-income communities
- Local Initiatives Support Corporation investments financed:
 - A network of charter schools serving nearly 4,400 students in underserved communities throughout Chicago
 - Housing for veterans with special needs
 - Facilities to provide young adults with services that support job readiness, placement and training

Allstate also has a policy to exclude certain kinds of investments. For example, we do not:

- Directly invest in tobacco companies
- Directly invest in liquor companies
- Invest in countries, governments, organizations and individuals specified by the Office of Foreign Assets Control

Allstate is using its resources to make a difference where it is needed most. In today's uncertain economic climate, such targeted investments are more critical than ever.

Additional information can be found in [Allstate's 2011 Annual Report](#).



Allstate's 2011 investment support of LISC included a low-interest loan of \$3.2 million to the UNO Charter School Network (USCN) in Chicago to refinance existing bank debt. USCN is working to redefine the culture and expectations of public education, especially among minority students. By providing a rigorous curriculum in a well-managed, structured environment, USCN is demonstrating how all children, regardless of their income level or ethnicity, can learn.

USCN operates nine schools, which collectively serve 4,395 students, 95 percent of whom rely on free or reduced-price lunches each school day. The school model is designed to help students excel academically and to develop healthy extracurricular interests through extended-day learning, sports and clubs.



Supply Chain Sustainability

As a services company, the environmental and social impacts and risks in our supply chain are relatively minor compared to the industrial or manufacturing sectors. Nevertheless, we insist that our suppliers adhere to the same strict standards that we set for ourselves. We also build partnerships throughout our supply chain to further Allstate’s sustainability priorities.

Allstate’s Sourcing and Procurement Solutions Department identifies environmentally responsible opportunities with the company’s supply chain streams, and encourages business partnerships with suppliers who implement environmental policies of their own. Our procurement representatives purchase recyclable, recycled and refurbished products and materials whenever these products are available, economical and suitable. For example, we ensure that 90 percent of our paper purchases meet leading certification standards, and we

have several programs in place to responsibly dispose of ink cartridges and computers.

We currently do not incorporate specific requirements in our supplier contracts, but we do expect all of our suppliers to operate in an ethical fashion and adhere to all national and international laws and standards before they can do business with Allstate. In addition, we require some suppliers, like our auto body shops, to provide certification that they have completed proper safety and pollution training.

SAFELITE AUTOGLASS: SHIELDING THE ENVIRONMENT

One of Allstate’s key suppliers, Safelite AutoGlass, the nation’s largest provider of windshield replacements, recently announced a windshield recycling program, which expects to save nearly 15,000 to 20,000 tons of material going to landfills every year. Allstate accounts for 15 percent of Safelite’s annual glass recycling tonnage, so this initiative will have a significant effect on Allstate’s indirect environmental impacts.

Windshields have not been recycled widely in the past because it is difficult to separate the glass and inner polyvinyl butyral (PVB) plastic layers, but more recycling plants have been developed to make the process more practical. The recycled glass and PVB materials are repurposed for U.S.-manufactured goods, including fiberglass insulation, paint and primer, solar cells, carpet backing, and plastic products.

Safelite is committed to its environmental sustainability policy, which includes other recycling and GHG emissions reduction efforts.



Damaged Windshields



**Converted to Crushed Glass
Cullet and Recycled PVB Flakes**



We also conduct occasional on-site visits for our key suppliers. For example, when we visit repair shops that are part of the Good Hands Network — which includes 3,500 prequalified repair shops across the country — we observe shop behaviors and are on the lookout for safety hazards. If risks are identified, the shop is asked to immediately correct them.

In the future, we will strengthen our policies on sustainable procurement to guide both our internal and external procurement decisions.

We will also continue to proactively ensure that our suppliers are investing in sustainable business practices such as energy-, emissions- and paper-reduction efforts as well as community involvement activities. Suppliers are asked to report such efforts to us on an annual basis.

To learn more, visit our [Supplier Code of Conduct](#).

Supplier Diversity

Small and diverse businesses are the engine of the American economy, generating economic growth, jobs, training and innovation. To help support such companies, Allstate established a program in 2004 that actively seeks out diverse suppliers and invites them to compete for our business.

The program is led by a dedicated full-time, senior-level executive, and integrated across all levels of the company. When procurement spend opportunities arise, Allstate managers scan the marketplace for qualified (well-established and financially stable) diverse suppliers and urge them to investigate the opportunity with Allstate. If the suppliers accept, they enter Allstate's rigorous procurement spend process alongside all competing vendors. And if they win, they win on merit.

To further broaden our diverse supplier base, Allstate hosts annual Supplier Diversity Exchanges, face-to-face sessions bringing diverse companies and Allstate buyers together. More than 56 business contracts have been initiated as a result of these events.

In 2011, Allstate spent \$244 million with nearly 2,000 businesses owned by minorities, women, veterans, or members of the LGBT community. This represents 5.9 percent of total supplier spend. Our goal is to increase this percentage to 9 percent by 2015.

Our greatest challenge is finding suppliers that can scale their services or products to meet our needs nationwide. So a main focus of our mentoring program involves giving suppliers the knowledge and resources they need to be able to compete and deliver on a corporate scale. In response to

DELIVERING A STEADY SUPPLY OF KNOWLEDGE

At Allstate, we succeed when our suppliers — who support key functions and services for the company — also succeed. This is why we launched our Diverse Supplier Mentoring Program, which assists potential diverse suppliers enhance their business in areas such as marketing, business development, general management development and succession planning.

Each participant is assigned to an Allstate executive who is responsible for working with them to build different aspects of their business and increase their capacity to provide better services to their existing customers as well as expand their customer base. The program is tailored to meet the needs of the suppliers and includes both on-site workshops and online training via Allstate's online learning network.

Learning and growth goes both ways: Allstate executives also benefit from the experiences and insights of the participating entrepreneurs.

Creospan, a female minority-owned IT outsourcing company that is currently participating in the program, is using this mentorship opportunity as a way to explore possible joint ventures with other companies to deliver a full suite of services beyond its core IT offerings. Through this program, Creospan is also gaining access to senior Allstate executives that it would never get the chance to meet otherwise.

Not only is the Mentorship Program aligned with Allstate's core mission to give back where it can, it also provides the company with strategic business benefits. Mentees are potential suppliers and customers for Allstate. At the same time, Allstate has the opportunity to work with these suppliers to make sure they are able to provide services the company needs.

another challenge — that incumbent suppliers often have an advantage — we've expanded our procurement team dedicated to seeking out diverse businesses.

Allstate's diverse supplier strategy creates healthy competition for the goods and services we buy. It also helps small and diverse businesses grow. Those companies, in turn, provide jobs and services that strengthen communities, create wealth for others and, eventually spur greater demand for our products.



Allstate uses criteria established by the United States Small Business Administration (SBA) to define and target “diverse” suppliers. We evaluate progress by measuring our targeted spend in the first three of the 12 categories listed below.

We also measure our inclusive spend in all 12 categories identified by the SBA as diverse and of special interest in meeting statutory obligations. These include:

- Minority/Women Owned Business Enterprise (M/WBE)
- Minority-Owned Business Enterprise (MBE)
- Women-Owned Business Enterprise (WBE)
- Disabled Business Enterprises (DIS)
- Disabled Veterans Business Enterprises (DVET)
- Disadvantaged Business Enterprises (DBE)
- Historically Black Colleges or Universities (HBCU)
- Historically Underutilized Business Zone (HUB Zone)
- Small Business Administration 8(a) Program (SBA8(a))
- Small Disadvantaged Business Enterprise (SDB)

- Veteran-Owned Business Enterprise (VET)
- Small Business Enterprise (SBE)
- Gay Lesbian Bisexual Transgender-Owned Business Enterprises (GLBT)

Memberships Related to Supplier Diversity

Allstate works with select organizations to help identify successful practices in supplier diversity, conduct national benchmarking and connect with diverse suppliers at a variety of forums. Allstate is a member of:

- National Minority Supplier Development Council
- Women Business Enterprise National Council
- National Hispanic Corporate Council
- Department of Veteran Affairs Center for Veteran Enterprise
- National Gay and Lesbian Chamber of Commerce
- United States Hispanic Chamber of Commerce

Corporate Involvement in Public Policy

We published an extensive “Corporate Involvement in Public Policy” report in the beginning of 2012.

View the Public Policy section for more information on:

- Board Oversight Policy and Contribution Governance
- Overview of Expenditures
- Organizations and Initiatives We Support
- Corporate Contributions to Candidates
- PAC Contributions



External Initiatives

Allstate is actively engaged with a variety of environmental and corporate social responsibility organizations and groups.

We are members or participants in the following organizations and projects/programs:

- Boston College Center for Corporate Citizenship
- Business Civic Leadership Center
- Business for Social Responsibility
- Business Roundtable Climate RESOLVE initiative
- Carbon Disclosure Project
- Catalyst
- Ceres
- Chicago Climate Change Task Force
- Clean Air Counts
- The Conference Board
- Council on Foundations
- Donors Forum
- The Green Grid



Environment

As a good corporate citizen, we strive to minimize the environmental impacts of our operations as well as help our customers and communities be better prepared for more frequent natural disasters caused by a changing climate.

Why We Care

While Allstate’s environmental impacts are relatively minor compared to those of industrial or manufacturing companies, we believe a comprehensive environmental strategy is important to our responsibility as a corporate citizen. It’s also good business — reducing our energy, water, waste and paper use directly cuts our operating costs.

As a company in the business of managing risk, we are also keenly aware of the role we play in addressing climate change. This includes mitigation efforts in our own operations and influencing customers’ behaviors. It also includes helping our customers prepare for and adapt to the impact of climate change and more extreme and unpredictable weather patterns.

Our focus on sustainable operations not only helps to reduce our impact, but it has the added benefit of helping us to prepare for future climate change by increasing employees’ awareness and their ability to innovate new products and services. Our employees are proud to work for a company that invests in LEED-certified buildings and implements innovative programs that reduce water bottle and paper usage.

What We Do

Running a lean and high-performing company means looking for efficiency in all our operations. So we continuously strive to improve our performance, consistent with our core beliefs and sustainability efforts.

That includes making our facilities and fleet more energy efficient; reducing our paper use; finding new ways to recycle, reuse and conserve; and working with our suppliers and business partners to minimize Allstate’s overall impact. We set ambitious goals and closely monitor progress, and we work with leaders and the public to address issues related to climate change and disaster preparedness.

How We’re Doing

In 2011, Allstate consolidated a considerable amount of our office space, upgraded our corporate headquarters, and

achieved LEED certification in additional facilities and a new data center. These efforts contributed to our long-term goal of reducing energy consumption by 20 percent by 2020. By closing 43 facilities, we reduced our overall real estate footprint by 4.4 percent. We also continued to make progress on our paper-reduction efforts, both internally and with our customers.

9% Carbon Footprint Reduction Achieved since 2010

5.06% Energy Reduction Achieved since 2010

11.4% Employee Paper Reduction Achieved since 2010

22.4% Customer Paper Reduction Achieved since 2010

Looking Forward

In 2012 and 2013, Allstate’s Sustainability Leadership Team — an enterprise-wide group of business leaders — will be conducting a thorough review of how climate change impacts our business. The goal is to develop a robust climate change strategy, and we will report on our progress in next year’s Sustainability report.

Also over the next few years, we will continue to consolidate our real estate and make further investments in energy-efficient renovations to continue our progress toward meeting our energy- and emissions-reduction goals. We will also look for opportunities to further our efforts related to water, waste and paper reduction.



Our Environmental Policy

We're guided by a comprehensive policy that applies to our value chain from suppliers to customers, employees, agency owners, business partners, investors and the public.

In support of that policy, we:

- Seek to reduce energy use and limit greenhouse gas emissions
- Focus on conserving water to help preserve an increasingly scarce resource
- Use resources responsibly, from purchase and use through

recycling and, as a last resort, disposal

- Minimize the consumption of fossil fuels and reduce harmful emissions, airborne pollutants, traffic and parking lot congestion

Sustainability Leadership Team

Our efforts are overseen by a Sustainability Leadership Team, which is comprised of officers and senior staff from all areas of the company. The team focuses on environmental efforts from an enterprise-wide perspective — launching, leading and integrating sustainability efforts throughout core functions of the business.

KEY PERFORMANCE INDICATORS AND GOALS

ENVIRONMENT: Energy Reduction

Reduce energy use 20% by 2020 for Allstate-owned facilities (compared to our 2007 baseline).

Our focus is on improving energy efficiency of Allstate's operations, reducing electricity demand and exploring renewable energy options.

PROGRESS | | Achieved

2011 - 4.76% reduction from 2007 baseline (5.06% reduction from 2010)

2010 - 0.32% increase from 2007 baseline (0.96% reduction from 2009)

2009 - 1.29% increase from 2007 baseline (0.29% reduction from 2008)

2008 - 1.58% increase from 2007 baseline

2007 - Baseline set

* Over the past year, we improved our data collection management systems, and we are now able to report better on our energy use and emissions data. As a result, our reported numbers from previous years are slightly different this year, reflecting our more accurate accounting systems.

ENVIRONMENT: Carbon Footprint

Maintain or reduce Allstate's carbon footprint on an annual basis.

Allstate regularly publishes the company's environmental performance in our annual response to the [Carbon Disclosure Project](#) survey (using 2007 as baseline).

Carbon footprint reductions are driven primarily through improved operational efficiency of company-owned buildings, use of more fuel-efficient vehicles in our corporate fleet, and more carefully regulated air travel by employees.
(continued)

ENVIRONMENT: Carbon Footprint *(continued from previous page)*PROGRESS |  | Achieved

2011 - Achieved (9% decrease over prior year, total 25% reduction since 2007)

2010 - Achieved (3% decrease over prior year, total 15% reduction since 2007)

2009 - Achieved (7% decrease over prior year, total 12% reduction since 2007)

2008 - Achieved (5% decrease over prior year)

2007 - Baseline set

ENVIRONMENT: Real Estate

Focus on the sustainability of our real estate by ensuring that many major office renovations and most new construction projects are Leadership in Energy and Environmental Design (LEED) certified by the U.S. Green Building Council.

PROGRESS |  | Achieved

2011 - New Idaho call center in Chubbuck-Pocatello achieved LEED Silver certification.

2010 - Pursuing LEED certification of new Idaho call-in center in Chubbuck-Pocatello, Idaho, slated to open in 2011.

ENVIRONMENT: Paper Reduction - Employee Focus

Reduce overall internal employee-use office paper by 25% by 2010.
New goal is to maintain paper-reduction levels established in 2010.

In mid-2009, Allstate set a goal to reduce office paper use in our corporate facilities by 25% by 2010.

PROGRESS |  | Achieved

2011 - Achieved. 11.4% reduction from 2010 level.

2010 - Achieved. 41% reduction in office paper in our corporate headquarters and more than 50% in our field offices compared to our 2008 baseline.

2009 - Well on pace to achieve 2010 target: 21% reduction.

2008 - Baseline set.



ENVIRONMENT: Paper Reduction – Customer Focus

Reduce paper delivery to customers by 20% by 2013 (2009 baseline).

We're reducing the volume of paper sent to customers through the use of convenient, cost-effective and environmentally friendly options for customers such as EZPay, eBill and ePolicy.

PROGRESS |  | **Achieved**

2011 – Achieved reduced customer paper by 22.4%, saving approximately 24 million pieces of paper.

2010 – Well on pace to achieve 2013 target: 11.8% reduction totaling approximately 14 million pieces of paper saved.

2009 – Baseline set.

Efforts to Reduce Energy Consumption and Emissions

Reducing our energy consumption, and greenhouse gas (GHG) emissions in particular, is a key pillar of our environmental management strategy. We annually disclose our companywide carbon footprint, including Allstate's GHG emissions and our strategy to manage these emissions, via the [Carbon Disclosure Project \(CDP\)](#) voluntary questionnaire.

In 2011, our overall energy use decreased by 5.06 percent, representing a total 4.76 percent reduction from our 2007 baseline. We also achieved our carbon footprint goal by reducing our GHG emissions by 9 percent over the prior year, or a total 24 percent reduction since 2007.

A significant portion of these reductions can be attributed to our concerted effort to reduce our real estate footprint. Recent renovations at our corporate headquarters in Northbrook, Illinois, as well as at other owned facilities in Irving, Texas, Hudson, Ohio, and Jacksonville, Florida, have allowed us to consolidate our employees into fewer buildings as well as maximize opportunities to significantly improve the energy efficiency of these facilities through upgrades to original building systems such as lighting, HVAC, metering systems

and smart controls.

We view these renovations as a true “win-win-win” situation. We have less square footage to heat, cool and maintain; we're achieving significant energy efficiency gains; and we're creating more open, collaborative environments for our employees.

We have made similar efforts with our leased real estate portfolio. We achieved significant progress in 2011 implementing our “City Strategy,” which aims to consolidate multiple offices in larger metropolitan areas into single facilities. For example, in the Phoenix/Tempe region, we are consolidating six separate business units and co-locating onto two floors of a new building in downtown Tempe.



We expect to be able to continue this real estate consolidation for the next few years. Every year, approximately 20 percent of our leased portfolio comes up for renewal. Whenever the decision is made to relocate or to consolidate one of those locations, we look for newer, more energy-efficient space.

Our energy and GHG emissions reduction efforts also focus on energy-saving initiatives for our building operations and maintenance — such as optimizing energy use in heating, air conditioning, computers, lighting and other essentials. While our conservation efforts are focused primarily on the property we own, specifically our Home Office campus where nearly 8,000 employees are located, we are making similar efforts with our leased spaces as we develop a comprehensive calculation of our carbon footprint.

We also work to engage our employees on sustainability issues, including climate change. We created an informal network of “Green Champions” to harness employee passion and ideas for improving Allstate’s environmental commitment and performance. We have also established several departmental “Green Teams” tasked with encouraging energy efficiency among employees. Programs implemented include:

- Reducing electricity and natural gas usage in all of our facilities
- Promoting use of campus shuttle buses at our Home Office campus in Northbrook, Illinois
- Establishing periodic rideshare days
- Decreasing paper use
- Implementing a campus-wide electronics recycling program for employees’ personal items (Home Office campus)
- Increasing the use of recyclable containers and testing the use of reusable “to go” containers in our cafeterias

Our Green Champions play a key role in helping us infuse sustainability throughout our culture.

In addition to our focus on energy - saving initiatives in our buildings, we concentrate on reducing the environmental impact of company travel. The nature of our work requires frequent travel — by air and by car—by our employees and agents to meet with our customers face to face. To address this, we focus on improving overall air quality by minimizing the consumption of fossil fuels and reducing harmful emissions, airborne pollutants, traffic and parking lot congestion. We help reduce drive-alone commuting by expanding the availability and use of commuting alternatives for employees. We also maintain our company fleet of 1,200 vehicles in optimal condition by performing preventive maintenance and conducting regular emissions tests.

COMBINED SCOPE 1 AND 2 EMISSIONS (METRIC TONS CO2e) PER FULL-TIME EQUIVALENT (FTE) EMPLOYEE



COMBINED SCOPE 1 AND 2 EMISSIONS (METRIC TONS CO2e) PER FACILITY SQUARE FOOT



This past year, we also invested in new fuel-efficient and alternative-fuel cars for the company fleet as well as encouraged teleconferencing instead of air travel.

Climate Change

In recent years, we have seen greater weather volatility and more extreme weather catastrophes — trends that are impacting our customers and our financial performance. Because climate risk is such a significant issue to our business, we monitor prevailing scientific analysis about how climate change might affect the future frequency and severity of hurricanes. And we regularly discuss such trends with premier hurricane modelers. We recognize that while climate change presents many risks to our industry, it also offers opportunities for innovation — and it is incumbent upon us to develop innovative products and services to help manage future risks.

Another component of Allstate’s strategy with respect to climate change is our interest in environmentally friendly investment opportunities with attractive risk/reward trade-offs. The company portfolio includes investments in wind, hydro and geothermal projects.

We also strive to increase awareness and preparedness within our industry and the government, as well as among customers and consumers. As part of our focus on preparing and protecting families and communities from natural catastrophe, Allstate helped create the Insurance Institute for Business & Home Safety’s (IIBHS) Research Center in South Carolina.



The Center, which opened in late 2010, focuses on creating disaster-resistant communities.

IIBHS' mission is to conduct objective, scientific research to identify and promote effective actions that strengthen homes, businesses and communities against natural disasters and other causes of loss. Allstate partners with IIBHS to promote more durable homes and commercial buildings by improving building practices and by strengthening building codes so our communities are more resilient against natural catastrophes.

Allstate is also a founding member of the coalition ProtectingAmerica.org, which encourages the development of a public-private partnership to better prepare and protect communities from natural catastrophe risk.

By raising awareness, educating the public and policymakers, and offering solutions to better prepare and protect consumers, taxpayers and the American economy the ProtectingAmerica.org coalition is working to:

- Improve financial protection for consumers by establishing special catastrophe backstops at the state and national level to provide recovery and rebuilding funds in case of a major natural catastrophe
- Support efforts to improve prevention and mitigation programs through stronger building codes
- Augment homeowner education and consumer protections to make sure people are better prepared for catastrophes before they strike
- Strengthen first responders by enhancing existing emergency response protocols
- Improve relief, recovery, and rebuilding by developing new processes to stage and deploy essential relief materials and to make sure there are adequate building materials, supplies, and licensed contractors available in the aftermath of a catastrophe

Since its formation, ProtectingAmerica.org has achieved several important milestones, in which Allstate has played a key role. They include:

- Building a coalition of more than 350 member organizations, including emergency management officials, first responders, catastrophe relief experts, large and small businesses, nonprofit organizations and insurers
- Raising awareness, supplying information to hundreds of media outlets and other public information sources
- Educating policymakers across the country
- Appearing before numerous legislative and related

committees at the state and national levels

- Helping craft and advance specific legislative proposals that address this issue

Additionally, a senior member of Allstate's Law and Regulation department serves as national director of ProtectingAmerica.org, working with the National Co-Chairs of the coalition, James Lee Witt, Former Director, Federal Emergency Management Agency, and Admiral James M. Loy, Former Deputy Secretary, Department of Homeland Security and Commandant of the U.S. Coast Guard (Retired).



Building Greener Buildings

Many of our environmental efforts focus on Allstate's buildings and grounds, including our Home Office in Northbrook, Illinois, which encompasses approximately 2.3 million square feet of building space.

Allstate is a member of the U.S. Green Building Council (USGBC) and participates in its Leadership in Energy and Environmental Design (LEED) program. We have three LEED® Accredited Professionals on staff.

To ensure the sustainability of our real estate, we focused in 2011 on ensuring that many major office renovations and most new construction projects are LEED certified by the U.S. Green Building Council.

Some highlights from this year include:

- New Idaho call center in Chubbuck-Pocatello achieved LEED Silver certification for the Core and Shell and LEED Gold certification (pending) for the Commercial Interiors.
- Electric utility incentives and rebates in 2011 included \$159,000 for energy-efficient lighting (Home Office

\$60,000 for demand response pilot program and \$65,000 for energy-efficient equipment (Idaho).

- Plans were drawn for external native landscape plantings planned for the Home Office campus in 2012.

Planned 2012 initiatives include: daytime cleaning; increased number and distribution of recycling containers; reusable containers replacing current to-go containers in cafeterias; and continued installation of water filtration bottle-refilling stations.

STERLING AUTOBODY: REDUCING ENVIRONMENTAL IMPACT

Sterling Autobody Centers, a wholly owned subsidiary of Allstate, operates 60 auto collision repair facilities in 16 states. Sterling's operations are specifically mentioned in, and covered by, Allstate's environmental policy. Sterling also has its own commitment to identifying and managing its environmental impacts and serving customers in ways that have a reduced impact on the environment.

Sterling was the first national chain to convert its entire network to waterborne paint, a high-performance paint that greatly reduces volatile organic compounds (VOCs) in the atmosphere. Other environmental programs at Sterling include:

- Annual testing of car wash wastewater
- Regular testing of used paint booth filters
- Recycling flooring materials
- "Low water consumption" plumbing fixtures
- Appliances, copiers, printers, monitors are "Energy Star" certified

- Shutting off all interior lights at the end of the day
- Building facilities to prevent pollution of town septic/ water supply
- Recycling antifreeze waste
- Recycling all cardboard and metal
- Recycling all copier and toner cartridges
- Proper disposal of computer and office equipment

Recognizing the importance of good safety habits as part of its commitment to environmental responsibility, Sterling Autobody recently launched a "Techs of Tomorrow" Safety & Environmental training series that brings environmentally conscious auto body courses to high school students.

The program kicked off in 2010 with more than 70 students trained at two schools in two states. In 2011, the program expanded to train more than 400 students at 10 schools in five states.



HOW ALLSTATE CORPORATE HEADQUARTERS IS BRINGING IT ALL HOME

The best kind of challenge is one that opens the door to a new opportunity. That’s exactly what Allstate found when examining how to relocate employees from outlying offices in the northwest Chicago suburbs to its Home Office campus in Northbrook, Illinois. As part of a Chicago-area real estate consolidation plan that started in 2010 and accelerated in 2011, employees from Allstate’s South Barrington and Vernon Hills facilities were gradually relocated to the company’s Northbrook Home Office campus. At the same time, employees at the company’s leased facility in nearby Wheeling began relocating to the Home Office in phases, which will continue through mid-2013.

“The most obvious benefit to the plan is the significant savings it will bring (approximately US\$20 million annually), as well as the ability to reinvest that money in strategies that contribute to our goals for growth,” said Jim DeVries, executive vice president, Human Resources. “We also found an excellent opportunity to foster the culture change we need to reach those goals more effectively and quickly.”

To that end, as office spaces in the Home Office were reconfigured to make room for relocating employees, those areas were (and continue to be) renovated to create a more collaborative, contemporary working environment. The updated floor plans in all departments eschewed the traditional office setting for a more open atmosphere.

Allstate’s Senior Leadership Team also did its part by trading in existing spaces for smaller offices that free up square footage for additional workspaces and community areas.

“These decisions were not made lightly; we realize the impact this will have on employee commuting,” DeVries said. “But we believe this opportunity to update buildings built as long as 40 to 50 years ago is truly a boon to our efforts toward creating a culture of collaboration.”

The redesigned environment is less hierarchical and more contemporary, and in many cases, walls and doors have come down, letting more natural light through and bringing people together.

“In the practical sense, we are now able to accommodate more people and realize significant long-term savings,” DeVries said. “But we’re also driving higher performance with more open dialogue and increased interaction in social spaces. If you look at any recent study or the offices of cutting-edge companies, it’s clear: This is the office space of the future.”





Waste Management and Recycling

Many of our environmental efforts focus on Allstate's buildings and grounds, including our Home Office in Northbrook, Illinois, which encompasses approximately 2.3 million square feet of building space.

We work to minimize the amount of waste generated by our operations. In 2011, 1,053 tons of waste were hauled away from our Home Office campus. We have extensive programs to recycle as much waste as possible.

Some examples:

- In 2011, Allstate recycled more than 7.5 million pounds of paper through desk-side recycling and press-waste recycling from our main company print facility.
- We recycled 5,250 pounds of aluminum cans and 7,895 pounds of PET bottles from our Home Office campus.

In 2011, we replaced our current bottled water service with environmentally friendly water filtration bottle-filling stations.

When the installation is complete in 2012, we expect to save \$130,000 annually and eliminate thousands of plastic bottles from landfills each year.

To increase awareness of environmentally sustainable habits, each water station is equipped with a ticker that quantifies eliminated plastic waste from landfills. This initiative eliminated the consumption of approximately 637,310 bottles in 2011.

Other recycling programs involve polystyrene, toner cartridges and carpet. We also partner with outside organizations to responsibly dispose of items such as computer hardware, batteries, fluorescent lamps, PCB light ballasts and similar items used at our Home Office campus and other locations.

Paper Reduction

Since targeting paper reduction as a key sustainability objective in 2009, Allstate has made tremendous progress cutting paper use among our employees and with our customers.

Employee Focus

As a financial services company, we purchase and use large amounts of paper.

In 2009, Allstate used approximately 3.7 billion sheets of paper — equal to approximately 450,000 trees. So we made cutting paper use a top environmental priority, launching a companywide paper reduction campaign in April 2009. We committed to reducing overall office paper use by 25 percent by 2010, saving thousands of trees and approximately \$1 million in purchasing costs.

To meet this target, we asked employees to make four changes in the way they used paper: 1) eliminate separator sheets on

shared printers; 2) print double-sided (duplex) whenever possible; 3) don't print unless necessary; and 4) recycle used paper. Allstate worked with all departments across the enterprise to turn off the separator-sheet option on all networked printers.

The result: We significantly surpassed our goal to cut paper use by 25 percent. At the end of 2010, Allstate reduced office paper use by 41 percent in Home Office and more than 50 percent in our field offices, resulting in a total savings of \$750,000. As a result of our efforts to continue to remind employees about being thoughtful when it comes to printing—or better yet, to not print at all—we were able to maintain our momentum in 2011. By the end of 2011, Allstate reduced



paper use by 11.4 percent from 2010 levels, which includes a 40 percent reduction in our corporate headquarters, and a 4 percent reduction in our field offices.

Customer Focus

Encouraged by our in-house effort, we then turned to paper used in communicating with Allstate's customers. Again, we set an ambitious goal of reducing customer paper 20 percent by 2013, using 2009 as a baseline.

At the end of 2011, we surpassed our goal by reducing customer paper use by 22.4 percent of 2009 levels. This reduction saved approximately 24 million pieces of paper.

We achieved this goal by promoting our suite of paperless solutions (eBill, ePayments and ePolicy) to deliver greater convenience, cost savings and compelling environmentally friendly options for Allstate customers. Discounts that encourage paperless options were also introduced. For example, in some states, Allstate auto customers who meet certain criteria, including enrollment in eBill, can lower their premiums. And the new Allstate eSmartSM Discount gives customers in select states an additional discount for enrolling in ePolicy, which allows customers to access, store and manage insurance policy documents from a convenient online location.

From 2010 to 2011, customer enrollments in eBill grew by 34 percent, which avoided nearly 11 million pieces of mail. At the end of 2011, 20.8 percent, or 4.3 million policies, are enrolled for automatic payment plans; 14.6 percent, or 3 million, have enrolled in eBill; and more than 265,000, or 1.2 percent, have enrolled in ePolicy.

We also eliminated unnecessary customer billing documents such as the zero-due bill, which will save approximately 7 million bills per year. We also delivered a ramped-up email awareness campaign in lieu of direct mail.

Convincing customers to go paperless is still a challenge, since many still prefer paper statements and policies. We continue to invest in education and awareness campaigns to inform customers and encourage them to enroll in various paperless options.

Our paper reduction efforts also mean lower GHG emissions. According to the U.S. Postal Service estimate of lifecycle GHG emissions of first-class mail, each piece of mail generates 87 grams of GHG emissions. Using this methodology, this program avoided more than 3,600 metric tons of GHG in 2011. The majority of these avoided emissions are related to the manufacture of pulp and paper.

Efforts to Reduce Water Usage

Allstate's total water use at our Home Office comes from eight private water wells located on our property. In 2011, withdrawals of water from these wells totaled 63,763,400 gallons — a reduction of nearly 7 million gallons (9.8 percent) from 2010.

Most of our water, approximately 75 percent, is used for drinking, bathrooms and kitchens. The rest is used mostly to operate cooling towers for our building heating systems.

Allstate has established programs to reduce water consumption, identify water-saving opportunities and install water-saving devices where appropriate.

Our 250-acre Home Office campus also uses storm water retention ponds, making it nearly 100 percent self-sufficient for landscape irrigation purposes.



Social Impact

Thriving communities are the foundation of success and future growth for Allstate, and we are in a unique position to support, empower and advocate for people within Allstate's community circles.

Why We Care

Allstate is a main street company. We live and work in small towns and big cities across the United States and Canada. Our customers are our neighbors. So we naturally want to improve the quality of life for the people and places we know best.

Whether it's giving domestic violence survivors the tools to gain financial independence, or helping community members retrofit their homes to be more protected against severe storms, we're dedicated to improving the well-being of everyone whose lives we touch.

What We Do

Since 1952, The Allstate Foundation has supported innovative and lasting solutions that enhance people's well-being and prosperity. Over this time, the Foundation has invested nearly \$300 million in helping communities across the country address key social issues. In 2011, the Allstate Foundation contributed nearly \$18 million to support organizations.

Our combined corporate and foundation efforts focus on key areas where we have special expertise and significant resources. These areas include financial empowerment for survivors of domestic abuse, teen safe driving, and natural catastrophe preparedness. Our commitments involve financial support, human resources and capacity building.

We also contribute money and volunteer support to thousands of community programs across the country. And we are a leading corporate citizen in our hometown of Chicago.

How We're Doing

We've helped significantly reduce teen driving deaths in America. We've helped thousands of survivors get free and stay free from domestic abuse. We've supported community programs with thousands of volunteers, and contributions from agency owners, employees, Allstate and the Allstate Foundation totaling more than \$28 million in 2011. We've funded major institutions and civic improvements in Chicago.

Looking Forward

In 2012, we will develop a framework for our investments in community programs to ensure that we maximize impact. This will include clearly identified criteria for selection and metrics for measurement.

TEEN SAFE DRIVING & DOMESTIC VIOLENCE SUPPORT

50% reduction by 2015

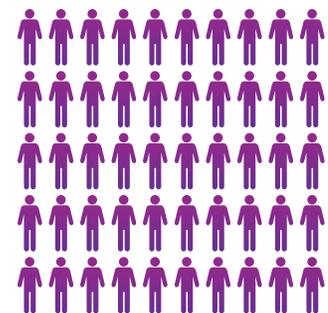
Total Teen Driving Fatalities



reach **500,000** domestic violence survivors by 2015



2011 Goal to Reach 50,000



2012 Goal to Reach 500,000



KEY PERFORMANCE INDICATORS AND GOALS

SOCIAL IMPACT: Teen Safe Driving

Contribute to reducing teen driving fatalities by 50% and create the safest generation of teen drivers by 2015 (2008 baseline).

We are making “smart” driving socially acceptable to teens by using the power of peer-to-peer influence to inform, involve and empower them to understand the dangers associated with driving so that they change the way they think and act in the car and become safe driving advocates. In addition, in 2011 we conducted new efforts to help educate the public about the value and importance of stronger teen driving laws, which have proven to save lives on the road.

PROGRESS |  | On Track To Meet Goal**2011 — On pace to achieve 2015 target.**

Allstate Foundation Teen Safe Driving program exceeded its social impact goals for 2011; more than 6.3 million teens were informed¹, more than 830,000 were involved², and more than 43,000 were empowered³. Deaths on U.S. roads have decreased by about 23% since 2008 (from 4,070 teens killed in 2008 to 3,115 teens killed in 2010).

1. Informed - the number of teens reached through teen-to-teen activism programs, contests and projects; the number of visitors to KeeptheDrive.com; and the number of teens reached through teen-specific media.

2. Involved - the number of teens actively participating in program activities; and the number of tools downloaded from KeeptheDrive.com.

3. Empowered - the number of teens who led activism projects.

SOCIAL IMPACT: Financial Empowerment for Domestic Violence Survivors

2011 Goal: Reach 50,000 survivors of domestic violence with Allstate Foundation-funded financial empowerment services by 2015.**2012 Revised Goal: Reach 500,000 survivors of domestic violence with Allstate Foundation-funded financial empowerment services by 2015.**

Empower domestic violence survivors to increase their financial independence, which helps them end the cycle of violence to live and thrive free from abuse.

PROGRESS |  | Achieved**2011 - Surpassed goal.**

In 2011, 80,995 survivors received financial empowerment services through the Allstate Foundation program; more than 100,000 have received these important services since the program began in 2005.

Because our program has grown tremendously in the last few years, we have ambitiously revised our goal and are now working to financially empower 500,000 survivors by 2015. From financial literacy to job training to asset-building projects, Foundation-funded programs are helping survivors move from safety to security.



Financial Empowerment for Domestic Violence Survivors

Domestic violence affects one in four women during their lifetime. And research shows that finances are the strongest predictor of whether a survivor will stay, leave or return to an abusive relationship. Since 2005, The Allstate Foundation has created resources and helped train staff at nearly 1,150 programs serving more than 100,000 survivors across the country.

In 2011 alone, 80,995 survivors received economic empowerment services through the program. Because of growing interest in our efforts, we have ambitiously revised our goal and are now working to financially empower 500,000 survivors by 2015. From financial literacy to job training to asset building projects, Foundation-funded programs are helping survivors build stable, more secure lives.

Key 2011 Activities and Achievements

- Partnered with the nonprofit National Network to End Domestic Violence (NNEDV) and Rutgers University to lead a national conversation on financial literacy programming for specialized populations, and using financial skills to help break the cycle of violence.
- Launched a successful campaign around PurplePurse.com — a website that looks like an online fashion magazine, but is actually a resource with tips and tools to start talking about domestic violence.
- Made great strides in imparting financial education:
 - 6,732 survivors created a financial plan.
 - 1,953 survivors opened a bank account.
 - 2,819 survivors worked on their credit.
 - 3,959 survivors have met a personal financial goal.
- Ran successful matched savings and Individual Development Account programs:
 - 727 survivors consistently contributed to matched savings programs.
 - 675 survivors met matched savings program goals.
- Conducted job readiness/job training programs:
 - 1,963 survivors completed educational courses, job training or certificate programs.



“The Allstate Foundation-NNEDV partnership is currently the only national, public-private partnership focused on using innovative financial strategies to end the cycle of violence. Their leadership and commitment has enabled domestic violence programs around the country to implement critical financial empowerment work in their communities.”

*Judy Chapa
Vice President, The Financial Services Roundtable*

- 1,269 survivors gained new or better employment.
- Recognized by national experts for our financial education program that targets a specific audience, as a best practice with true potential to change behavior and help people build better lives.
- Took a leadership role in Project No More, a national public awareness campaign designed to accelerate support for the violence against women movement.
- Hosted the 7th annual Domestic Violence Symposium to teach domestic violence counselors from throughout the nation how to educate survivors about life-saving financial skills.



Teen Safe Driving

Preventable motor vehicle crashes caused by adolescent drivers are the leading cause of death for American teens. Since 2005, Allstate and The Allstate Foundation have helped decrease teen crash fatalities by nearly 40 percent.

Our public awareness programs, teen empowerment activities and advocacy of stronger teen driving laws help ensure more teens can walk across the stage on graduation day.

Key 2011 Activities and Achievements

- Reached 6.3 million teens through teen-to-teen activism programs, contests and projects, KeeptheDrive.com, and through teen-specific media.
- Involved more than 830,000 teens in program activities or in tools downloaded from KeeptheDrive.com.
- Empowered 43,000 teens by leading various activism projects.
- In partnership with The National Safety Council, the Allstate Foundation launched 10 state Teen Safe Driving Coalitions to appropriately support stronger graduated drivers licensing laws. To date, the coalitions have engaged more than 900 state leaders in traffic safety, health, law enforcement and education to address teen driving in influential states.
- Provided funding to the American Academy of Pediatrics (AAP) for eight state AAP chapters to conduct programs that educate parents and the public about teen driving.
- Released two research reports to educate the public about the value and importance of stronger teen driving laws.

Natural Catastrophe Preparedness

Insurance is one of the industries most affected by natural catastrophes. In 2011, Allstate experienced \$3.8 billion in catastrophe loss expense.

We recognize the important role we play in helping customers and communities prepare for this risk. To that end, we actively support a range of collaborations aimed at building more resilient communities. For example, as a founding member, we work closely with ProtectingAmerica.org to educate people living in high-risk areas (see section on Climate Change). We also provide tips for how people can prepare for and recover from various catastrophe-related events on Allstate.com. Learn more [here](#).

Allstate is also a member and financial supporter of the Insurance Institute for Business & Home Safety (IIBHS). IIBHS' mission is to conduct objective, scientific research to identify and promote effective actions that strengthen homes, businesses and communities against natural catastrophes and other causes of loss. Allstate partners with IIBHS to promote more durable homes and commercial buildings by improving building practices and by strengthening building codes so our communities are more resilient against natural catastrophes.



Allstate in the Community

Allstate believes corporate citizenship isn't optional, it's essential in an increasingly interconnected world. We also believe we do the most good by focusing on areas where we have special skills or interests, and on communities where we live and work.

Giving Campaign

Allstate contributes to communities across the country through our Annual Giving Campaign, which matches 15 cents on every dollar donated by employees and agency owners to local and national nonprofits. The company adds an additional five cents to the local United Way, and covers all administrative costs associated with the campaign.

In 2011, 18,059 employees and 2,531 agency owners contributed \$4.8 million, with an additional company match of \$1 million, for a total of \$5.8 million. The campaign involved more than 450 volunteer coordinators from across the country. Also this year, the campaign was nearly paper-free, which made it easier for employees and agency owners to donate to their favorite charities, and it simplified processing and reporting.

Volunteerism

Beyond financial contributions, agency owners and employees volunteer more than 180,000 hours each year — including on Allstate's Give Back Day, our national day of service held on Martin Luther King Jr. Day. Every week, Allstate's employees volunteer their time and talents through more than 120 employee-led Helping Hands committees in their local communities — working soup kitchens, teaching children about business and the economy, cleaning up neighborhoods, painting schools, helping run fundraising efforts and hosting events at community centers.

To encourage their efforts, The Allstate Foundation awards "Helping Hands" grants to organizations where our employees volunteer. In 2011, the Foundation recognized 320 employees with grants to the employees' community-based nonprofit organizations. The Foundation also awarded 1,600 Allstate Agency Hands in the Community Grants to agency owners, with the goal to enhance agency owners' local presence in their communities.

In addition to the 50 percent of Allstate officers who serve on boards of community nonprofits, Allstate created the Allstate Fellows program in 2011 to give leaders the opportunity to

provide business skills to selected nonprofits. In 2011, six Allstate Fellows were recruited and placed at Chicago-area Allstate Foundation or Allstate nonprofit partners, delivering 4,000 hours of dedicated service valued at \$770,000.

VOLUNTEERISM GRANTS

	AGENCY OWNERS OBTAINING VOLUNTEERISM GRANTS ¹	EMPLOYEES OBTAINING VOLUNTEERISM GRANTS ²
2007	2,087	291
2008	2,030	250
2009	2,076	284
2010	1,051	243
2011	1,600	320

¹ \$500 grants were awarded prior to 2010. In 2010, the grant amount was doubled to \$1,000

² \$500 grant



Allstater Engagement in the Community

Employees and agency owners are also critical to the success of our Teen Safe Driving and Domestic Violence programs.

- To date, The Allstate Foundation has recruited 200 Allstate agency owners and financial specialists to provide domestic violence information to their customers and communities, work with domestic violence shelters as expert speakers on financial management topics and use social media to get people talking about the issue.
- Allstate Home Office employees, retirees and their families donated household items and raised money for WINGS, a local domestic violence organization, at Allstate Family Day. A truckload of donations was delivered to WINGS along with \$6,342 in cash donations.
- More than 250 agency owners ordered 35,000 copies of the Foundation's Fresh Perspectives on Teen Driving brochure, a free tool to share with customers and community members.
- To help agency owners connect with high schools in their area, we developed a new toolkit with information and resources they can use to encourage schools and customers with teen drivers.
- Nearly 500 copies of the new Allstate Foundation Parent-Teen Driving Agreement were distributed during Allstate Family Day for our Home Office employees.



"There's a value in terms of what we bring to them, but I also think there's a value as to what they bring back here. When you're in the community, you actually get to see what the issues are, and you actually get to connect with customers. And you actually get to step away from the ivory tower and really get to have a stronger sense of how we can solve those issues."

*Allstate Fellow
Class of 2011*

Advocacy

In addition to our volunteer and financial support of philanthropic efforts, Allstate works to support our customers and communities through our advocacy work on policy issues. We highlight below the areas where Allstate has shown leadership to influence policy in the best interest of our communities.

Safe Roads

Each year, an average of 4,000 teens are killed in car crashes in the United States. Allstate has long been a passionate advocate for efforts to prevent these fatalities. We have been a lead supporter of the Safe Teen and Novice Driver Uniform Protection (STANDUP) Act, a federal bill that is designed to save lives by encouraging the adoption of Graduated Driver Licensing laws, and three minimum standards for those laws:

- Three stages of licensing for drivers under the age of 21: Learning drivers, starting at age 16 and lasting at least six months; Intermediate drivers, until age 18 and lasting at least six months; and Unrestricted drivers, after age 18.
- Unsupervised nighttime driving should be restricted during the learning and intermediate stages, until full licensure. Driving while talking on a cell phone or texting should also be prohibited at least until full licensure.



- Passengers should be restricted to no more than one non-familial passenger under the age of 21 unless a licensed driver over age 21 is in the vehicle until the driver receives full licensure.

Graduated driver licensing laws require new young drivers to gain experience under supervised and less risky conditions so they can become responsible and safe drivers. Research has shown these requirements can reduce fatalities by up to 40 percent, and we are pleased to report that the STANDUP Act was voted into law at the end of June 2012.

Protecting Our Community

In 2011, we also continued our support of efforts to prepare the nation to address the significant and growing risk from natural catastrophes. Allstate is a proud supporter of ProtectingAmerica.org, a coalition of private companies, nonprofit organizations and government agencies at the local, state and federal level that are working to develop long-term solutions to better prepare communities and our nation so that they can recover from future natural catastrophes.

ProtectingAmerica.org works to educate the public and policymakers about the risks Americans face from disasters — like recent wildfires, tornadoes, and hurricanes — that are certain to strike again. The coalition also advocates for a public-private partnership to pre-fund the costs of recovery, support creating systems to strengthen building codes to prepare for disasters, provide more robust disaster-recovery and rebuilding funds, and strengthen the ability of first responders to properly help communities react to catastrophe.

Federal Insurance Regulation

Another area of our continued advocacy concerns the modernization of the insurance regulatory system. Because Allstate delivers our services across all 50 states, we currently must track and comply with 50 different sets of regulations. The complexities and expenses inherent in this process limit our ability to develop new products for our customers, so we are working to promote a single, consistent set of rules at the national level that would eliminate unnecessary costs and spur innovation and competition.

Corporate Contributions

Allstate provides millions of dollars of financial support each year to local programs and organizations in communities around the country that create strong, vital communities.

In 2011, Allstate made contributions totaling almost \$3.8 million to more than 120 organizations, including: Feeding America, Enlace Community Development Corporation, the Chicago Urban League, the National Museum of Mexican Art, the Center on Halsted, HACE, Casa Central, the Museum of Science and Industry, the Field Museum (Chicago), the Chicago Children's Museum, the Benjamin L. Hooks Institute

for Social Change, Congo Square Theatre, the Goodman Theatre, Victory Gardens Theatre, the Chicago Public Library Foundation, the National Association for Urban Debate Leagues, the Chicago Children's Humanities Festival, WTTW Public Television, Rush Hospital and the Rainbow PUSH Coalition.



Corporate Involvement in Public Policy

Allstate is actively involved in the public policy process at the state and federal levels. We believe that the existence of extensive state-based regulation of insurance, the importance of a fair court system to our customers, and the priority we place on the importance of personal safety and property protection combine to demand that Allstate seek to shape sound public policy.

Board Oversight Policy and Contribution Governance

We believe participating in the development of good public policy and offering ideas and resources in this arena will help our customers protect themselves from life's uncertainties and prepare them for the future. Allstate maintains a rigorous oversight process for these advocacy efforts. In addition to complying with public disclosure laws at the state and national levels, the company maintains internal guidelines and procedures that govern public advocacy and political activities.

The decision to use corporate resources in the public policy arena is made consistent with the company's annual operating plan as well as its strategic vision to reinvent protection and retirement for the consumer, and is not based upon the personal views of any individual Board member. The specific

deployment of corporate resources is presented formally to the Board each year, and is always guided by the principle of what is best for the business interests of our shareholders, employees, agents, and customers.

With regard to corporate contributions to candidates, our General Counsel and the Senior Vice President-Government Relations/Deputy General Counsel determine which candidates and committees to offer our support, and these contributions are subject to further oversight by the company's Board of Directors. These resources are devoted to candidates whose views and positions will improve the insurance marketplace for the company, the insurance industry, and the insurance consumer.



Overview of Expenditures

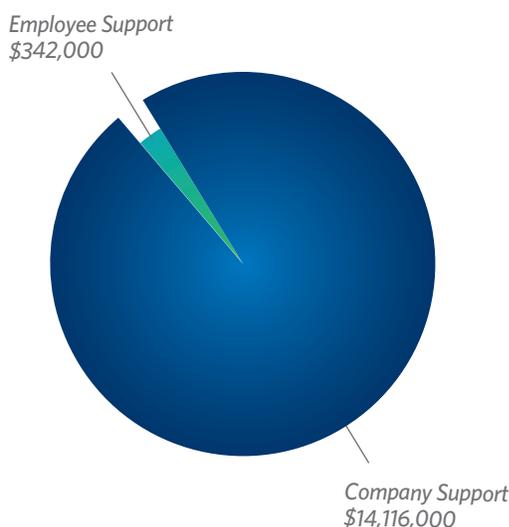
Allstate supports candidates for public office, research associations, coalitions, industry trade associations, non-profit organizations, and other groups to advance key priorities such as teen safe driving, regulatory modernization, and natural catastrophe management. We may not agree with every position taken by a specific organization, candidate, or committee. Nevertheless, when we believe it prudent to work across such differences on behalf of the interests of our stakeholders, we do so.

In 2011, the company's efforts in this arena utilized approximately \$14.1 million in corporate funds, which represent four one-hundredths of one percent of revenues. In addition, for the same period the employee-funded political action committees contributed approximately \$342,000 to a wide variety of political organizations and candidates (Chart A).

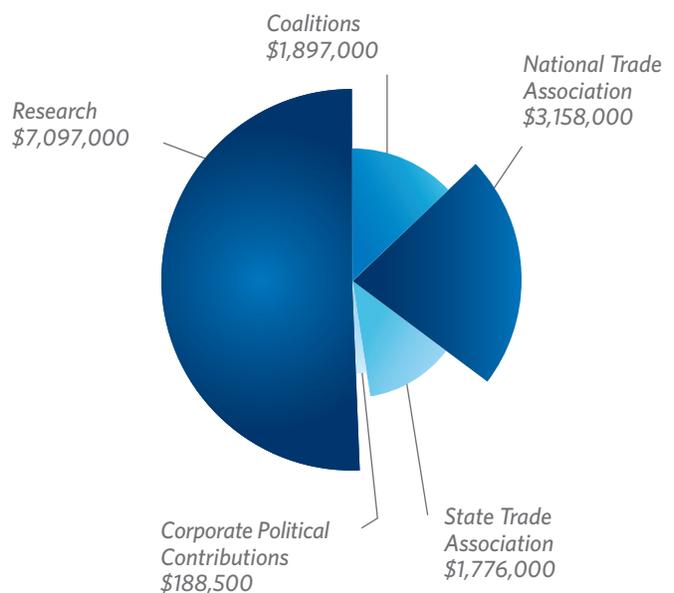
The company supports various organizations, including tax-exempt organizations that may engage in lobbying activities,

candidates, and committees in its public policy efforts. This support is allocated among the following five categories of activities: research, coalitions, national and state trade associations, and corporate political contributions. This report describes each of the categories and the amount we spend in each category. We devote more than 50 percent of these corporate resources toward research (Chart B). Approximately 77 percent of the total company support was directed to tax deductible, non-lobbying endeavors (Chart C).

(A) TOTAL SUPPORT OF PUBLIC POLICY INITIATIVES

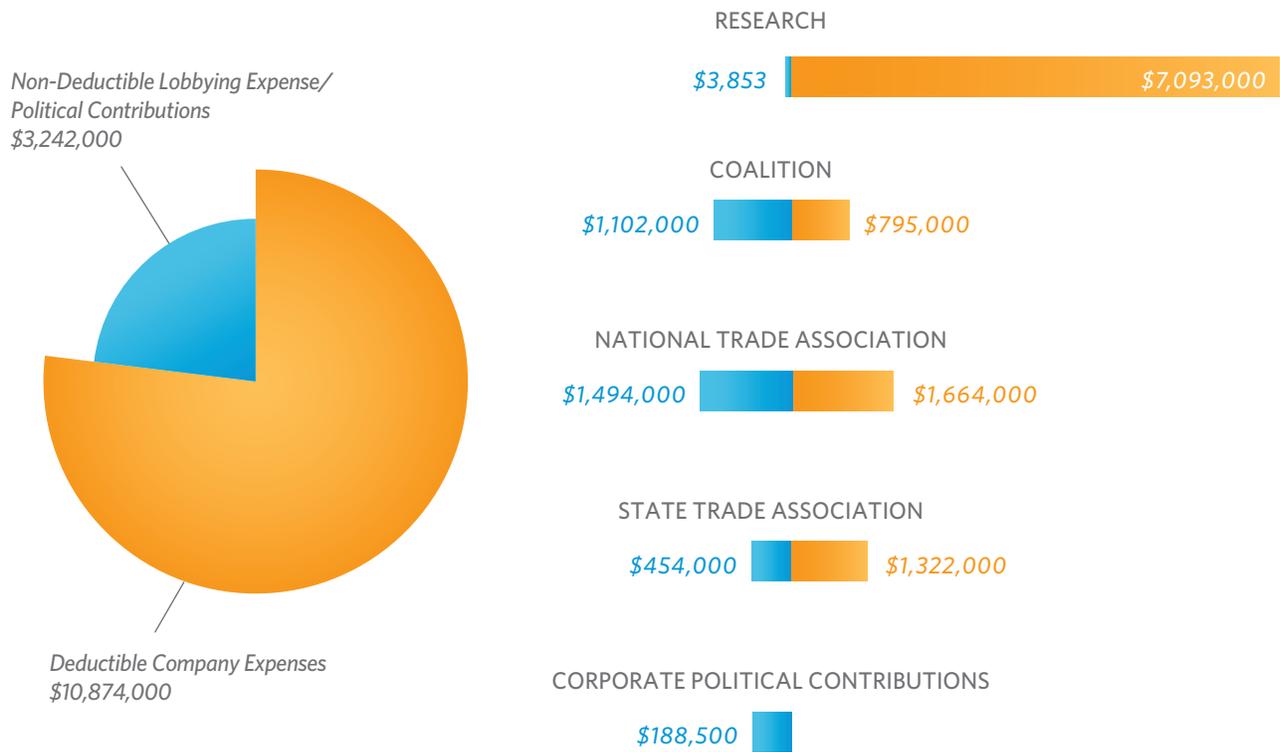


(B) COMPANY SUPPORT OF PUBLIC POLICY INITIATIVES





(C) DEDUCTIBLE EXPENSE AND NON-DEDUCTIBLE LOBBYING EXPENSES/POLITICAL CONTRIBUTIONS



Organizations and Initiatives We Support

Research

Allstate supports research groups and other organizations that provide unbiased information that is used to shape public policy debate and inform consumers and businesses about key issues affecting insurance consumers, including the role that insurance plays in our daily lives.

Our support is largely focused on safety on our roads and in our homes. Further, we are involved in other noteworthy research that is not captured in this report. For example, for the past three years we have partnered with the National Journal to publish the Allstate/National Journal Heartland

Monitor Poll series, which measures the attitudes and feelings of citizens on important economic issues. This poll has been referenced in several publications. In 2011, Allstate provided nearly \$7.1 million to research organizations, with only \$3,853 (.05 percent) attributed to lobbying efforts.



Coalitions

Allstate partners with advocacy organizations and other coalitions throughout the country to promote various public policy positions.

We continue to work to better prepare and protect America from natural catastrophes. Recent storms and earthquakes have reminded us all that no place in the country is immune from the tragic death and devastation caused by severe weather. Further, events such as Hurricane Katrina and the existence of large unfunded state government insurance pools have created financial exposure for insurance customers, companies, and the American taxpayer. America needs to be better prepared for these catastrophes and needs to strengthen its financial infrastructure to protect itself from these events. Allstate has joined others in a coalition known as ProtectingAmerica.org to build a more effective catastrophe management system that will better prepare and protect America from major catastrophes.

Throughout our history, we have endeavored to make roads safer for all drivers. We were pioneers in the advocacy of mandatory seat belts and airbags in cars. Today, many of our employees and agents devote significant time every day promoting safer driving and working with community groups, parents, teen drivers, schools, and national organizations. Allstate provides significant human and financial resources to organizations that save lives, prevent injuries, and reduce losses caused by crashes on the nation's highways. For example, Allstate supports the Advocates for Highway and Auto Safety, a champion in the effort to save teen drivers. This includes funds over the last two years for an Allstate Fellow at the Advocates to increase that organization's capacity as well as introduce individuals to a possible career in the public policy arena. In 2011, Allstate provided approximately \$1.9 million to coalitions, with slightly more than \$1.1 million (58 percent) attributed to lobbying efforts.

National and State Trade Associations

We are also working to build a better insurance regulatory system.

The insurance industry currently operates under a different set of regulations in each of the 50 states and the District of Columbia. This patchwork system makes it difficult and expensive to develop innovative products for our customers and for our exclusive agents to operate as efficiently as possible. Allstate supports business organizations that assist our 12,000 agency owners and exclusive financial representatives, who operate small businesses located on main streets across the country. We believe it is imperative to modernize and improve the regulatory system for insurance companies and consumers. Thus, the company supports organizations working for reforms that will create more uniformity and consistency in the system.

Allstate also supports reforms to our civil justice system to keep pace with changes in technology and address lawsuit abuse. This advocacy includes changes to deal with electronic document discovery, new ways that litigation is being financed by third parties, and state-specific challenges that deal with so-called bad faith. Further, Allstate advocates against theories of civil recovery that cost our customers too much money. That's why Allstate supports a court system that is fair for everyone. As part of this effort, Allstate contributes to groups that advocate meaningful change for insurance consumers nationally and in individual states. In 2011, Allstate provided almost \$3.2 million to national trade associations, with \$1.5 million (47 percent) attributed to lobbying efforts and nearly \$1.8 million to state trade associations, with approximately \$454,000 (26 percent) attributed to lobbying efforts.



Below is a list of the major organizations within the categories described above that Allstate supported in 2011.

Advocates for Highway and Auto Safety

Advocate for STANDUP Act, which is a common sense approach to graduated driver licensing laws and measures designed to reduce distracted driving and protect those most important to us — our children [More info at Saferoads.org >](http://www.Saferoads.org)

American Council of Life Insurers

Represent more than 300 legal reserve life insurer and fraternal benefit society member companies operating in United States

Business Roundtable

Foster a strong economic environment that creates jobs, encourages innovation, and maintains U.S. competitiveness with its counterparts around the world

Certified Automotive Parts Association

Improve marketplace for consumers through certification and advocacy of quality replacement auto parts

Coalition Against Insurance Fraud

America's only anti-fraud alliance speaking for consumers, insurance companies, and government agencies to help consumers fight fraud and to deter more people from committing fraud

Financial Services Forum

Pursue policies that encourage savings and investment, promote an open and competitive global marketplace, and ensure people everywhere opportunity to participate fully and productively in 21st-century global economy

Financial Services Roundtable

Protect and promote economic vitality and integrity of its members and United States financial system

Insurance Information Institute

Improve public understanding of insurance - what it does and how it works; recognized by media, governments, regulatory organizations, universities and the public as a primary source of information and analysis concerning insurance

Insurance Information Network of California

Enhance consumers' understanding of insurance and safety issues

Insurance Institute for Business & Home Safety

Dedicated to reducing social and economic effects of natural disasters, with a unique, state-of-the-art, multi-risk applied research and training facility

Insurance Institute for Highway Safety

Premier research facility for improving motor vehicle safety

Inter-Industry Conference on Auto Collision Repair

Lead in the research, development and delivery of quality, convenient, cost-effective educational programs for the collision industry

Life Insurance Council of New York

Create and maintain a legislative, regulatory, and judicial environment in the State of New York that encourages insurers to grow their life insurance businesses

National Insurance Crime Bureau

Lead a united effort of insurers, law enforcement agencies, and representatives of the public to prevent and combat insurance fraud and crime through data analytics, investigations, training, legislative advocacy and public awareness

Personal Insurance Federation of California

Keep personal insurance affordable and available for California consumers through state government advocacy and political action

Personal Insurance Federation of Florida

Keep personal insurance affordable and available for Florida consumers through state government advocacy and political action

ProtectingAmerica.org

Establish a comprehensive, integrated national catastrophe management solution [More info at ProtectingAmerica.org >](http://www.ProtectingAmerica.org)

Quality Parts Coalition

Develop and secure a permanent legislative change to U.S. design patent law to preserve competition and to ensure the availability of quality, lower-cost alternative collision repair parts for consumers

Texas Coalition for Affordable Insurance Solutions

Advocate for a stable, competitive auto and homeowners insurance marketplace that will best serve both buyers and sellers of insurance

U.S. Chamber of Commerce

Represent interests of more than 3 million businesses of all sizes, sectors, and regions and advocate for pro-business policies that create jobs and grow our economy



Global Reporting Initiative (GRI)

GRI is a framework of global standards to help corporations define and report their sustainability impacts and performance. Because sustainability is defined as a combination of social, environmental and economic impacts, these are the general categories of GRI.

<i>Disclosure</i>	<i>Strategy and Analysis</i>	<i>Where to Find it</i>
1.1	Statement from the most senior decision-maker of the organization.	Letter from the CEO
1.2	Description of key impacts, risks, and opportunities.	Letter from the CEO; Letter from Corporate Responsibility Officer; About Report; Business Practices: Risk Management
<i>Disclosure</i>	<i>Organizational Profile</i>	<i>Where to Find it</i>
2.1	Name of the organization.	Allstate Insurance Company
2.2	Primary brands, products, and/or services.	Company Overview: Organizational Profile; Stakeholders: Our Customers
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	Company Overview: Organizational Profile
2.4	Location of organization's headquarters.	http://www.allstate.com/about.aspx
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Company Overview: Organizational Profile
2.6	Nature of ownership and legal form.	Company Overview: Organizational Profile; Annual Report
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	2011 Vital Statistics; Annual Report
2.8	Scale of the reporting organization.	Company Overview: Organizational Profile; 2011 Vital Statistics
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	About Report; Annual Report
2.10	Awards received in the reporting period.	http://www.allstatenewsroom.com/channels/Awards-and-Recognition/pages/awards-recognition

(continued)



Disclosure	Report Parameters	Where to Find it
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	About This Report: Report Period, Scope and Boundary
3.2	Date of most recent previous report (if any).	About Report
3.3	Reporting cycle (annual, biennial, etc.).	About Report
3.4	Contact point for questions regarding the report or its contents.	About Report
3.5	Process for defining report content.	About Report; Stakeholders: Our Customers; Letter from Corporate Responsibility Officer
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	About Report
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	About Report
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	About Report
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	About Report; Environment
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	About Report; Key Performance Indicators and Goals
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	About Report
3.12	Table identifying the location of the Standard Disclosures in the report.	GRI Index
3.13	Policy and current practice with regard to seeking external assurance for the report.	About Report: Scope and Boundary
Disclosure	Governance, Commitments, and Engagement	Where to Find it
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	Company Overview: Organizational Profile; Business Practices: Corporate Involvement in Public Policy; Public Policy; Annual Report

(continued)



Disclosure	Governance, Commitments, and Engagement (continued)	Where to Find it
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	Company Overview: Corporate Governance
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	2011 Key Metrics
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Allstate.com: Investor Relations
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	Company Overview: Corporate Governance; Environment; Annual Report
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Company Overview: Ethics and Integrity
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	Company Overview: Corporate Governance; 2011 Vital Statistics
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	Letter from the CEO; Letter from Corporate Social Responsibility Officer; Company Overview: Ethics and Integrity; Company Overview
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	Company Overview: Ethics and Integrity; Business Practices: Risk Management
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	Company Overview: Corporate Governance; Environment Overview
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	Business Practices
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	Business Practices: Risk Management; Stakeholders: Our Customers; Environment; Social Impact
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; *Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or *Views membership as strategic.	Environment: Efforts to Reduce Energy Consumption and Emissions; Social Impact; Business Practices: External; Public Policy

(continued)



<i>Disclosure</i>	<i>Governance, Commitments, and Engagement (continued)</i>	<i>Where to Find it</i>
4.14	List of stakeholder groups engaged by the organization.	Stakeholders
4.15	Basis for identification and selection of stakeholders with whom to engage.	Stakeholders
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Stakeholders
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	Stakeholders

<i>Disclosure</i>	<i>Disclosure on Management Approach</i>	<i>Where to Find it</i>
	Disclosure on Management Approach Economic	
	Economic Performance COMM	Company Overview; Annual Report
	Market presence	Business Practices: Investments & Asset Management; 2011 Vital Statistics; Social Impact: Allstate in the Community; Social Impact: Corporate Contributions
	Indirect economic impacts	Business Practices: Investments & Asset Management; 2011 Vital Statistics; Social Impact: Allstate in the Community; Social Impact: Corporate Contributions
	Disclosure on Management Approach Environment	
	Materials	Environment
	Energy	Environment
	Water	Environment
	Biodiversity	Environment
	Emissions, effluents and waste	Environment
	Products and services	Stakeholders: Customers; Business Practices: Risk Management
	Compliance	Environment
	Transport	Environment
	Overall	Environment; Business Practices: Risk Management

(continued)

**Disclosure on Management Approach Labor**

<i>Products and services</i>	<i>Stakeholders: Employees</i>
<i>Labor/management relations</i>	<i>Stakeholders: Employees</i>
<i>Occupational health and safety COMM</i>	<i>Stakeholders: Employees</i>
<i>Training and education</i>	<i>Stakeholders: Employees; 2011 Vital Statistics</i>
<i>Diversity and equal opportunity</i>	<i>Stakeholders: Employees; Company Overview: Inclusive Diversity; 2011 Key Performance Indicators</i>
<i>Equal remuneration for women and men</i>	<i>Stakeholders: Employees; 2011 Key Metrics</i>

Disclosure on Management Approach Human Resources

<i>Investment and procurement practices</i>	<i>Business Practices: Investments & Asset Management; Business Practices: Supply Chain Sustainability</i>
<i>Non-discrimination</i>	<i>Company Overview: Ethics and Integrity</i>
<i>Freedom of association and collective bargaining</i>	<i>Not Reported</i>
<i>Child labor</i>	<i>Not Reported</i>
<i>Prevention of forced and compulsory labor</i>	<i>Not Reported</i>
<i>Security practices</i>	<i>Not Reported</i>
<i>Indigenous rights</i>	<i>Not Reported</i>
<i>Assessment</i>	<i>Not Reported</i>
<i>Remediation</i>	<i>Not Reported</i>

Disclosure on Management Approach Social

<i>Local communities</i>	<i>Social Impact; 2011 Vital Stats</i>
<i>Corruption</i>	<i>Not Reported</i>
<i>Public policy</i>	<i>Social Impact; Social Impact: Advocacy; Business Practices: Corporate Involvement in Public Policy</i>
<i>Anti-competitive behavior</i>	<i>Not Reported</i>
<i>Compliance</i>	<i>Company Overview: Ethics and Integrity</i>

(continued)

**Disclosure on Management Approach Product**

Customer health and safety

Not Reported

Product and service labelling

Not Reported

Marketing communications

Stakeholders: Our Customers; Environment;
2011 KPI Performance Indicators

GRI Indicator	Economic Performance Indicators	Where to Find it
EC1 COMM	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Company Overview; Business Practices: Investment & Asset Management; Stakeholders: Employees; Social Impact; 2011 Vital Statistics; Annual Report
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	Business Practices: Risk Management; Environment: Efforts to Reduce Energy Consumption and Emissions
EC3	Coverage of the organization's defined benefit plan obligations.	Stakeholders: Employees; Annual Report
EC4	Significant financial assistance received from government.	Not Reported
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	Not Reported
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Business Practices: Supply Chain Sustainability; 2011 Vital Statistics
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	Not Reported
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	Business Practices: Investments & Asset Management; 2011 Vital Statistics; Social Impact: Allstate in the Community; Social Impact: Corporate Contributions
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	Social Impact; 2011 Vital Statistics
GRI Indicator	Environmental Indicators	Where to Find it
EN1	Materials used by weight or volume.	Environment
EN2	Percentage of materials used that are recycled input materials.	Environment: Waste Management and Recycling; 2011 KPI Performance
EN3	Direct energy consumption by primary energy source.	Environment; 2011 KPI Performance
EN4	Indirect energy consumption by primary source.	Environment; 2011 KPI Performance

(continued)



GRI Indicator	Environmental Indicators (continued)	Where to Find it
EN5	Energy saved due to conservation and efficiency improvements.	Environment; 2011 KPI Performance
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Stakeholders: Our Customer; Environment; 2011 KPI Performance
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Environment; 2011 KPI Performance
EN8	Total water withdrawal by source.	Environment: Efforts to Reduce Water Usage
EN9	Water sources significantly affected by withdrawal of water.	Environment: Efforts to Reduce Water Usage
EN10	Percentage and total volume of water recycled and reused.	Environment: Efforts to Reduce Water Usage
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Not Reported: Determined not to be a material impact
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Not Reported: Determined not to be a material impact
EN13	Habitats protected or restored.	Not Reported: Determined not to be a material impact
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	Not Reported: Determined not to be a material impact
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Not Reported: Determined not to be a material impact
EN16COMM	Total direct and indirect greenhouse gas emissions by weight.	Environment: Efforts to Reduce Energy Consumption and Emissions
EN17	Other relevant indirect greenhouse gas emissions by weight.	Environment: Efforts to Reduce Energy Consumption and Emissions
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Environment: Efforts to Reduce Energy Consumption and Emissions; 2011 KPI Performance
EN19	Emissions of ozone-depleting substances by weight.	Not Reported: Determined not to be a material impact
EN20	NOx, SOx, and other significant air emissions by type and weight.	Not Reported: Determined not to be a material impact
EN21	Total water discharge by quality and destination.	Environment: Efforts to Reduce Water Usage
EN22COMM	Total weight of waste by type and disposal method.	Environment: Waste Management and Recycling

(continued)



GRI Indicator	Environmental Indicators (continued)	Where to Find it
EN23	Total number and volume of significant spills.	Not Reported: Determined not to be a material impact
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Not Reported: Determined not to be a material impact
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	Not Reported: Determined not to be a material impact
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Environment; Stakeholders: Our Customers; 2011 KPI Performance
EN27	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Not Reported.
EN28	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	Carbon Disclosure Project Filing
EN29	Total environmental protection expenditures and investments by type.	Not Reported.
GRI Indicator	Social: Labor Practices and Decent Work	Where to Find it
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	2011 Key Metrics
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	Not Reported.
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Not Reported.
LA4	Percentage of employees covered by collective bargaining agreements.	Not Reported.
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Not Reported.
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	Not Reported: Determined not to be a material impact
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	Stakeholders: Employees

(continued)



GRI Indicator	Social: Labor Practices and Decent Work	Where to Find it
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Stakeholders: Employees
LA9	Health and safety topics covered in formal agreements with trade unions.	Not Reported: Determined not to be a material impact
LA10	Average hours of training per year per employee by gender, and by employee category.	2011 Key Metrics
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Stakeholders: Employees
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	Not Reported.
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	2011 Key Metrics
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	Not Reported.
LA15	Return to work and retention rates after parental leave, by gender.	Not Reported.
GRI Indicator	Social: Human Resources	Where to Find it
HR1COMM	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	Not Reported.
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	Business Practices: Supply Chain Sustainability
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Company Overview: Ethics and Integrity
HR4	Total number of incidents of discrimination and corrective actions taken.	Not Reported.
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	Not Reported: Determined not to be a material impact
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	Not Reported: Determined not to be a material impact

(continued)



GRI Indicator	Social: Human Resources (continued)	Where to Find it
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	Not Reported: Determined not to be a material impact
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	Not Reported: Determined not to be a material impact
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Not Reported: Determined not to be a material impact
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	Not Reported.
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	Not Reported.
GRI Indicator	Social: Society	Where to Find it
SO1 (FSSS)	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	Social Impact; Business Practices: Investments and Asset Management
SO1 (G3.1)	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	2011 Vital Statistics; 2011 State Supplements
SO2	Percentage and total number of business units analyzed for risks related to corruption.	Not Reported: Determined not to be a material impact
SO3	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	Company Overview: Ethics and Integrity
SO4	Actions taken in response to incidents of corruption.	Not Reported.
SO5	Public policy positions and participation in public policy development and lobbying.	Social Impact: Advocacy; Public Policy
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	Social Impact; Public Policy
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	Not Reported.
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Not Reported.
SO9	Operations with significant potential or actual negative impacts on local communities.	Not Reported.
S10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	Not Reported.

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GRI Indicator	Social: Product Responsibility	Where to Find it
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Not Reported: Determined not to be a material impact
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	Not Reported
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Not Reported
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	Not Reported
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Stakeholders: Our Customers
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Stakeholders: Our Customers
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	Not Reported
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Not Reported
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Not Reported
GRI Indicator	Financial Services Sector Supplemental Indicators	Where to Find it
FS1	Policies with specific environmental and social components applied to business lines.	About Report
FS2	Procedures for assessing and screening environmental and social risks in business lines.	Business Practices: Risk Management; Business Practices: Investment and Asset Management
FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions.	Not Reported
FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines.	About Report; Company Overview: Corporate Governance

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<i>GRI Indicator</i>	<i>Financial Services Sector Supplemental Indicators (cont'd)</i>	<i>Where to Find it</i>
FS5	<i>Interactions with clients/investees/business partners regarding environmental and social risks and opportunities.</i>	<i>About Report; Business Practices: Investment and Asset Management; Environment</i>
FS6	<i>Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/large) and by sector.</i>	<i>2011 Vital Statistics</i>
FS7	<i>Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.</i>	<i>Business Practices: Investment and Asset Management; Social Impact</i>
FS8	<i>Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.</i>	<i>Business Practices: Investment and Asset Management; Environment</i>
FS9	<i>Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures.</i>	<i>About Report; Company Overview: Corporate Governance</i>
FS10	<i>Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues.</i>	<i>Not Reported</i>
FS11	<i>Percentage of assets subject to positive and negative environmental or social screening.</i>	<i>Not Reported</i>
FS12	<i>Voting polic(ies) applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting.</i>	<i>Not Reported</i>
FS13	<i>Access points in low-populated or economically disadvantaged areas by type.</i>	<i>Social Impact; Business Practices: Investment and Asset Management</i>
FS14	<i>Initiatives to improve access to financial services for disadvantaged people.</i>	<i>Social Impact: Financial Empowerment for Domestic Violence Survivors</i>
FS15	<i>Policies for the fair design and sale of financial products and services.</i>	<i>Not Reported</i>
FS16	<i>Access points in low-populated or economically disadvantaged areas by type.</i>	<i>Social Impact: Financial Empowerment for Domestic Violence Survivors</i>



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