Investor CDP 2011 - Allstate Insurance Company

Module: Introduction

Page: Introduction

0.1
Introduction
Please give a general description and introduction to your organization

0.2
Reporting Year
Please state the start and end date of the year for which you are reporting data.
The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.
We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.
Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed
Fri 01 Jan 2010 - Fri 31 Dec 2010

0.3
Country list configuration

Please select the countries for which you will be supplying data. This selection will be carried forward to assist you in completing your response

Select country
United States of America
Canada
United Kingdom

0.4

Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

USD($)

0.5

Please select if you wish to complete a shorter information request

0.6

Modules

As part of the Investor CDP information request, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sectors and companies in the oil and gas industry should complete supplementary questions in addition to the main questionnaire.

If you are in these sectors (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will be marked as default options to your information request. If you want to query your classification, please email respond@cdproject.net.

If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see https://www.cdp.net/en-US/Programmes/Pages/More-questionnaires.aspx.

Module: Management

Page: 1. Governance

1.1

Where is the highest level of direct responsibility for climate change within your company?

Senior Manager/Officer

1.1a

Please identify the position of the individual or name of the committee with this responsibility

Allstate's Enterprise Risk and Return Council (ERRC) is a senior management committee appointed by the CEO and chaired by the Chief Risk Officer (CRO). ERRC members also include the Chief Financial Officer (CFO), President(s) of Allstate Protection and Allstate Financial business units, Chief Investment Officer, General Counsel, Executive Vice President of Corporate Relations, Treasurer and business unit Chief Financial Officers and Chief Risk Officers.

The ERCC convenes monthly to discuss key topics, strategies and actions regarding Allstate's significant risks, including those risks affected by climate and other factors. The ERRC focuses on identifying and capturing enterprise portfolio risk/reward opportunities, which may include topics such as climate risk.

1.2

Do you provide incentives for the management of climate change issues, including the attainment of targets?

No

Page: 2. Strategy

2.1

Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company wide risk management processes

2.1a

Please provide further details (see guidance)

Allstate is engaged in an ongoing evaluation of climate change and natural catastrophes as it relates to Allstate's future risk exposure and America's ability to prepare for and manage these catastrophe related risks moving forward.

Allstate monitors all significant enterprise risks and opportunities, including those related to climate change, on a regular basis, with 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. Allstate monitors significant risk exposures in comparison to enterprise action plan targets quarterly through a comprehensive Enterprise Risk & Return Dashboard prepared for the Enterprise Risk & Return Council 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 considered. Financial modeling, scenario testing and management judgment are used to assess the significance of risks and opportunities including materiality.

Risks and opportunities are assessed at an enterprise or business unit level rather than an asset or localized level.

Allstate has also created a cross-functional Environmental Leadership Committee, composed of officers and senior staff from all areas of the company. The committee met on a quarterly basis in 2010 to guide 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.

On an annual basis, Allstate's Environmental Leadership Committee completes a review of Allstate's operations, stakeholder expectations, and competitive actions in this space 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 Environmental Leadership Committee, reports to the senior management team on the efforts and assessments of the Committee.

2.2

Is climate change integrated into your business strategy?

Yes

2.2a

Please describe the process and outcomes (see guidance)

We call our business strategy "Way to Win". To win, we focus on the preferences of consumer segments, meeting customer needs and differentiating ourselves from the competition. Today's consumer holds an unprecedented position of strength and authority in the marketplace and keeping customers loyal and putting them at the center of everything we do is a top priority at Allstate.

Our consumers, employees, shareholders and other key stakeholders are increasingly interested in the environment and the impacts of climate change. In an effort to lead in our Industry, Allstate is committed to limiting our impact on the environment through responsible business practices. On the strength of our enhanced environmental reporting and proactive efforts, Allstate was named one of the Top 100 Greenest Companies in America by Newsweek magazine in 2010.

As a company, we consider ways we can adopt key environmental/sustainability priorities into all business functions and departments, and develop goals and corresponding Key Performance Indicators (KPIs) around areas such as energy and paper use.

As part of developing the company's business strategy, Allstate's Environmental Leadership Committee, composed of senior staff from across the company, reviews the company's operations and other factors to identify climate change key opportunities. The committee then establishes key short and long term goals.

In 2010, Allstate's Environmental Leadership Committee completed a review of Allstate's operations, stakeholder expectations, and competitive actions in this space to identify internal opportunities related to climate change. Based on this review Allstate determined the company had the most control to reduce its environmental footprint in two areas: paper reduction and energy reduction.

An important component of Allstate's long term strategy is the company's energy reduction initiatives. Allstate seeks to conserve natural energy sources and to limit our greenhouse gas emissions. Setting an energy reduction target in 2010 was Allstate's most substantial business decision influenced by the climate change driven aspects of the strategy. We have set a goal of 20% energy reduction for corporate owned resources by 2020 (vs. 2007 baseline).

We conserve energy and manage energy costs through centralized procurement of energy supplies. We 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 more than 7,000 employees are located, we are making similar efforts with our leased spaces as we develop a comprehensive calculation of our carbon footprint.

In 2009, Allstate opened a new state-of-the-art data center in Rochelle, Illinois that is designed to meet Leadership in Energy and Environmental Design (LEED) Gold certification standards and was awarded LEED Gold certification in 2010.

Additionally, Allstate has responded to business risks and opportunities related to climate change through what CDP defines as short term strategy components. The reputational aspects of climate change contributed to Allstate's decision to join Ceres and the company's employee engagement initiative to heighten understanding among all employees of the value of sustainability as it relates to operational efficiency, customer satisfaction, community engagement and our overall reputation. Allstate also created an Environmental Leadership Committee to integrate and push sustainability further across the company.

Another component of Allstate's strategy that is influenced by climate change is the company's consideration of environmentally friendly investment opportunities with attractive risk/reward trade-offs. The company investment portfolio includes debt investments in wind, hydro, and geothermal projects.

2.3

Do you engage with policy makers to encourage further action on mitigation and/or adaptation?

Yes

2.3a

Please explain (i) the engagement process and (ii) actions you are advocating

Allstate believes America needs to be better prepared for and protected from growing natural catastrophe risk. Climate change, to the extent it produces changes in weather patterns, could impact the frequency or severity of weather events. Preparing and protecting America from catastrophe is larger than Allstate and even larger than the insurance industry. That's why Allstate is a founding member of a coalition called ProtectingAmerica.org, which encourages collaboration between local, state and federal governments, consumers and the private sector. Since 2005, ProtectingAmerica.org has been working to advance a comprehensive, integrated solution to deal more effectively and efficiently with mega-catastrophes.

ProtectingAmerica.org advocates for federal and state catastrophe funds paid for by private institutions such as insurance companies through educating citizens and
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; and
• 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.

In order to achieve these goals, the coalition takes the following actions:
• Raise awareness;
• Educate the public and policymakers; and
• Offer solutions that will better prepare and protect consumers, taxpayers & the American economy from major catastrophes in a sensible, cost-effective fashion, including stronger building codes and sensible land use policies to reduce the impact of catastrophes.

Since its formation, ProtectingAmerica.org has achieved several important milestones in which Allstate has played a key role, including:
• Building a coalition consisting 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; and
• Helping to craft and advance specific legislative proposals that will advance this cause.

Additionally, a senior member of Allstate's law and regulation department serves as national director of ProtectingAmerica.org, working with the National Co-Chair 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 United States Coast Guard (retired).

Page: 3. Targets and Initiatives

3.1

Did you have an emissions reduction target that was active (ongoing or reached completion) in the reporting year?

No

3.1e

Please explain (i) why not; and (ii) forecast how your emissions will change over the next five years

During the reporting year, Allstate was in the process of establishing a target. The target is now finalized. Allstate is committed to reducing energy within corporate owned resources by 20% by 2020 (vs. 2007 baseline). We expect our absolute combined Scope 1 and 2 emissions to decrease to 200,000 metric tons CO2 in 2015.

3.2

Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?

Yes

3.2a

Please provide details (see guidance)

Allstate has implemented a new suite of paperless solutions (eBill, ePayments, and ePolicy) to deliver greater convenience, cost savings and compelling environmentally friendly options for Allstate customers. The Marketing Committee also ramped up use of E-mail awareness campaigns in lieu of direct mail, which further reduced paper use.

Allstate sends a significant volume of mail through the U.S. Postal service. In 2010, Allstate estimates that 106 million billing related documents were distributed. In an effort to reduce the volume of mail, Allstate continues to offer the eBill option (an electronic version of a paper bill) and electronic payment options to customers, which avoided 34 million pieces of mail in 2010.

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 3,000 MT of GHG in 2010. The majority of these avoided emissions are related to the manufacture of pulp and paper. The estimate is based on emissions intensities from the following report: "The Environmental Impacts of the Mail: Initial Life Cycle Inventory Model and Analysis, Environmental Policy and Programs, U.S. Postal Service, Washington, DC June 2008."

Allstate is not considering originating any carbon credits or emissions reduction units (ERUs).

3.3

Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and/or implementation phases)

Yes

3.3a

Please provide details in the table below

Activity type	Description of activity	Annual monetary savings (unit currency)	Investment required (unit currency)	Payback period
Energy efficiency: building services	Allstate seeks to conserve natural energy sources and to limit our greenhouse gas emissions. We 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. These initiatives include more efficient light fixtures, reducing the hours that lights are used, and optimizing the boilers, chillers, and HVAC hours of operation. 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 two LEED® APs on staff in the Real Estate and Construction Department. In 2009 we completed construction on our state-of-the-art data center in Rochelle, Illinois that received LEED Gold level certification from the USGBC. The building integrates the following features to reduce energy use: • White roof to reduce roof cooling load due to solar heat gain • Water-source heat pumps in lieu of fan powered boxes • Daylight harvesting • Heat recovery systems in the battery rooms In addition, Allstate is implementing the following steps: • Installation of Energy Star rated appliances at all company owned and leased buildings; • Two of our Home Office campus buildings (North and West Plazas) have undergone retro-			

Activity type	Description of activity	Annual monetary savings (unit currency)	Investment required (unit currency)	Payback period
	commissioning reviews based on LEED criteria, and implementation of a number of energy conservation measures at those facilities are currently under way. North Plaza was registered with the USGBC under the LEED EB v2.0 rating system in July 2008; While our conservation efforts are focused primarily on the property we own, specifically our Home Office campus where more than 7,000 employees are located, we are making similar efforts with our leased spaces as we develop a comprehensive calculation of our carbon footprint. For example, Allstate occupies 99,936 square feet in a leased building in Houston that is LEED Silver certified. This voluntary initiative is implemented with a focus on reducing our Scope 2 emissions. Because the bulk of our GHG emissions are associated with the purchase of electricity, these initiatives focus on reducing energy consumption in its buildings. The initiative is ongoing with an expected lifetime of 20 years for most capital components.			

Activity type	Description of activity	Annual monetary savings (unit currency)	Investment required (unit currency)	Payback period
Behavioral change	Allstate has undertaken a number of initiatives focused on engaging employees on sustainability issues including climate change. Allstate created a new informal network of “Green Champions” to harness employee passion and ideas for improving Allstate’s environmental commitment and performance. Allstate also established several departmental “Green Teams” tasked with encouraging energy efficiency among employees. Programs implemented include: • reducing electricity use in office building; • promoting use of campus shuttle buses; • establishing periodic rideshare days; and • decreasing paper use. We launched an internal office paper reduction campaign in April 2009 with the goal of reducing overall office paper use by 25 percent by the end of 2010. The ongoing campaign reminds employees to print only when necessary, print double-sided whenever possible and recycle used paper. As a result Allstate achieved a 36% reduction in purchase of High-Speed White office paper used in all Home Office facilities, and a 54% reduction in purchase of multi-purpose white office paper used by all field offices countrywide. There was a total cost savings of $740,248 (vs. 2008 baseline expenses and using preliminary 2010 data). Additionally, more than 5 million pounds of paper were recycled at the Home Office in 2010. These voluntary initiatives are being implemented with a focus on reducing Scope 2 and 3 emissions. The initiatives are ongoing with no foreseeable end date.			

Activity type	Description of activity	Annual monetary savings (unit currency)	Investment required (unit currency)	Payback period
Transportation: use	Allstate aims to help improve 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 vehicles in optimal condition by performing preventive maintenance on our 1,200 vehicles and conducting regular emissions tests. Additionally, we have increased the fuel efficiency of our fleet by nearly 2 miles per gallon over the past three years, resulting in projected savings of nearly 80,000 gallons of gasoline in 2007 alone. This voluntary initiative is currently being implemented with a focus on reducing Scope 1 and 3 emissions. The initiatives are ongoing with no foreseeable end date.			
Energy efficiency: processes	Allstate implemented an internal initiative to reduce paper consumption and a new suite of paperless solutions (eBill, ePayments, and ePolicy) for Allstate customers. For example, our Marketing Team increased use of e-mail awareness campaigns in lieu of direct mail, which further reduced paper use. Allstate sends a significant volume of mail through the U.S. Postal service. In 2010, Allstate estimates that 106 million billing related documents were distributed. In an effort to reduce the volume of mail, Allstate continues to offer the eBill option (an electronic version of a paper bill) and electronic payment options to customers, which avoided 34 million pieces of mail in 2010. This voluntary initiative is implemented with a focus on reducing Scope 3 emissions. The initiative is ongoing with an overall goal to reduce mail volume/customer paper options by 20% over five years (2009 – 2013). Allstate acknowledges that these programs may have resulted in increased electricity use at data centers and on home computers, but these effects have not been estimated at this time.			

3.3b

What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Employee engagement	We educate employees about the importance of reducing paper use and energy reduction and easy ways to save paper and energy.

Page: 4. Communication

4.1

Have you published information about your company's response to climate change and GHG emissions performance for this reporting year in other places than in your CDP response? If so, please attach the publication(s)

Publication	Page/Section Reference	Identify the attachment
In voluntary communications (underway) – previous year attached	Environment Section - pgs 35-39	2009 Allstate Social Responsibility Report (2010 Report currently under development)

Further Information

The website link to Allstate's 2009 Social Responsibility Report is http://www.allstate.com/social-responsibility/download-2009-report.aspx

Information relevant to 2009 can be found in the Environment section of the report.

The 2010 Social Resposibility report is currently under development which will include information about our 2010 GHC emissions performance.

Attachments

Allstate_SR_2009_Complete[1].pdf

Module: Risks and Opportunities

Page: 5. Climate Change Risks

5.1

Have you identified any climate change risks (current or future) that have potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Risks driven by changes in physical climate parameters

5.1c

Please describe your risks that are driven by change in physical climate parameters

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
	Other physical climate drivers	Allstate recognizes the scientific view that the world is getting warmer. Climate change, to the extent it produces rising temperatures and changes in weather patterns, could impact the frequency or severity of weather events and wildfires, the affordability and availability of homeowners insurance, and the results of our Allstate Protection segment. Allstate is the largest publicly held personal lines property and casualty insurer in America providing insurance products to	Other: Unknown	Unknown	Direct	Unknown	Unknown

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
		nearly 16 million households. The physical impacts of changing climate conditions such as catastrophic events may adversely affect our financial condition, profitability, or cash flows. Catastrophes can be caused by various natural and man-made disasters, including earthquakes, volcanoes, wildfires, tornadoes, hurricanes, tropical storms, and certain types of terrorism. To the extent that climate change impacts mortality rates and those changes do not match our long-term mortality assumptions in our product pricing our Allstate Financial segment (life/retirement products) would be impacted. To the extent that climate change impacts valuation of commercial real estate properties or municipalities we invest in, our Investment results would be impacted. We consider the greatest areas of potential catastrophe losses due to hurricanes generally to be major metropolitan centers in counties along the eastern and gulf coasts of the United States.					

5.1d

Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; and (iii) the costs associated with these actions

i. Potential financial implications of the risk before taking action;

The exposure of our property and casualty business to catastrophic events could impact our operating results and financial condition. Allstate is the largest publicly held personal lines property and casualty insurer in America, providing insurance products to nearly 16 million households.

Catastrophes can be caused by various natural and man-made disasters, including earthquakes,

volcanoes, wildfires, tornadoes, hurricanes, tropical storms, and certain types of terrorism. Climate change, to the extent it produces rising temperatures and changes in weather patterns, could impact the frequency or severity of weather events and wildfires, the affordability and availability of homeowners insurance and the results of our Allstate Protection segment. To the extent that climate change impacts mortality rates and those changes do not match our long-term mortality assumptions in our product pricing the results for our Allstate Financial segment would be impacted.

Despite our catastrophe management programs, we are exposed to catastrophes that could have a material adverse effect on operating results and financial condition. For example, our historical catastrophe experience includes losses relating to Hurricane Katrina in 2005 totaling $3.6 billion and Hurricane Andrew in 1992 totaling $2.3 billion.

ii. Methods used to manage this risk
We continue to manage our property catastrophe exposure in order to provide our shareholders an acceptable return on the risks assumed in our property business and to reduce the variability of our earnings, while providing protection to our customers.

As of December 31, 2010, we continue to be within our goal to have no more than a 1% likelihood of exceeding annual aggregate catastrophe losses by $2 billion, net of reinsurance, from hurricanes and earthquakes, based on modeled assumptions and applications currently available. The use of different assumptions and updates to industry models could materially change the projected loss.

Property catastrophe exposure management includes purchasing reinsurance to provide coverage for known exposure to hurricanes, earthquakes, wildfires, fires following earthquakes, and other catastrophes. We are also working for changes in the regulatory environment, including recognizing the need for and improving appropriate risk based pricing and promoting the creation of government sponsored, privately funded solutions for mega-catastrophes. While the actions that we take will be primarily focused on reducing the catastrophe exposure in our property business, we also consider their impact on our ability to market our auto lines.

In addition, we closely follow ongoing scientific and hurricane modeling research through regular discussions with premiere hurricane modelers. We examine the prevailing scientific thought about how climate change might be expected to impact the frequency and severity of future hurricanes.

While these actions can mitigate potential risks related to catastrophe exposure, the timing of catastrophes is largely unpredictable.
iii. Costs associated with these actions
In 2010, the total cost of our catastrophe reinsurance programs was $593 million. We continue to attempt to capture our reinsurance cost in premium rates as allowed by state regulatory authorities.

5.1g

Please explain why you do not consider your company to be exposed to risks driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

We do not consider our company to be exposed to substantive climate change related regulatory risks. We have considered regulatory opportunities in the United States over the next two to three years including heightened energy efficiency standards, greenhouse gas emissions limits/taxes, and potential impacts on products. In contrast to the manufacturing or energy sectors, Allstate is a service company, so we do not expect possible climate change legislation or regulations to significantly impact our operations directly. As a financial services company, Allstate does not have significant emissions or waste associated with the distribution of our products. We don’t consume large amounts of raw materials, manufacture physical products, or maintain large fleets of vehicles. So our direct environmental impact is less than many other members of the Fortune 100.

Allstate has minimal direct risk from regulation and the indirect risk, through potential increased energy costs, is not substantial. We are aware of proposals to cap greenhouse gas emissions and the consideration of other proposals that could impact energy costs. However, given our current energy efficiency activities we do not believe that such proposals present a regulatory risk to Allstate.

In the rare instance that climate change related regulation does cover Allstate's operations, we do not anticipate a substantial impact on our business. Given Allstate's energy efficient activities, we believe that our company is well positioned to meet future regulatory requirements.

We have a number of initiatives to reduce our greenhouse gas emissions. Because the bulk of Allstate's emissions are associated with the purchase of electricity, we focus heavily on reducing energy consumption in our buildings. This includes installing more efficient light fixtures and reducing the hours that lights are used and employing sophisticated lighting controls including daylight harvesting and occupancy sensors. These efforts have helped us to reduce the energy intensity of our lighting from four watts per square foot to 1.5 watts per square foot.

We expect that we will be able to comply with regulatory changes such as heightened energy efficiency standards or greenhouse gas emissions limits/taxes with minimal financial impact to the company. Allstate has undertaken energy efficiency measures in buildings that it owns and uses for its business operations and continues to assess additional measures as part of a corporate-wide environmental impact reduction program.

We will continue to monitor developments in these areas and continue to re-assess the potential impacts on Allstate as the components and timeline of likely policy developments become clearer.

It is possible that regulation, such as proposed increases in automobile efficiency standards or increased development of mass transit, could significantly change the transportation infrastructure, including significantly increasing the cost of owning and operating a vehicle. A decline in car ownership and use could impact Allstate's personal lines automobile insurance business but we do not believe this will have a substantive impact on our overall business. We continually monitor driving patterns and behavior as part of operating our auto insurance business, and we expect to be able to adapt to changes in driving behavior.

5.1i

Please explain why you do not consider your company to be exposed to risks driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Given Allstate's positive reputation and efforts to continue to proactively work on sustainability issues we do not consider our company to be exposed to substantive other risks.

We have considered other risks in the United States over the next two to three years including reputation, changing consumer behavior, and changing socio-economic conditions. The company has initiatives in place to build Allstate's reputation for sustainability efforts among consumers, employees, shareholders, and other key stakeholders who are increasingly interested in the environment and the impacts of climate change on our company.

On the strength of our enhanced environmental reporting and proactive efforts to position Allstate as a good steward of the environment, Allstate was named as one of the Top 100 Greenest Companies in America by Newsweek magazine. In the publication's 2010 ranking of the 500 largest publicly traded companies in the U.S., Allstate ranked #70 – near the top of our industry category (banks and insurance). It was Allstate's second consecutive year being ranked in the top 100.

Our transparency and reporting mitigates any potential risks. Allstate takes the following actions to promote transparency:

• Disclose and publish Allstate Social Responsibility Report that highlights the company's performance in the areas of social responsibility, sustainability and our overall environmental commitments;
• Distribute the report to consumers, customers, as well as leading NGOs who monitor and comment on corporate performance in the areas of social responsibility and sustainability; and
• Commitment to annual filing of the Carbon Disclosure Project survey.

Page: 6. Climate Change Opportunities

6.1

Have you identified any climate change opportunities (current or future) that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Opportunities driven by changes in other climate-related developments

6.1e

Please describe the opportunities that are driven by changes in other climate-related developments

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
	Reputation	There is the opportunity for Allstate to build its reputation for its sustainability efforts among consumers, employees, shareholders and other key stakeholders who are increasingly interested in the environment and the impacts of climate change on our company. For example, there is potential to increase employee and agency engagement via Allstate's company-wide commitment to environmentally responsible business practices.	Increased demand for existing products/services	1-5 years	Direct	Likely	Low-medium

6.1f

Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions

(i) Potential financial implications of the opportunity;
This opportunity could enhance customer and consumer consideration thereby potentially increasing Allstate's customer base. Being a responsible environmental steward and driving sustainability through responsible business practices and services can lead to increased customer loyalty and employee engagement.

(ii) Methods used to manage this opportunity:
Allstate has taken several actions to capitalize on this opportunity. First, we became a Ceres member company in 2010. Allstate is working with Ceres to create a customized stakeholder advisory team that will provide us access to, and engagement with, a credible group of external experts (investors, environmental and social NGOs, etc.). This advisory team will bring an important external perspective to Allstate's current and emerging sustainability impacts, risks, and opportunities, while also serving as a sounding board for our enterprise-wide sustainability goals and strategies moving forward.

Allstate has undertaken a number of initiatives focused on engaging employees on sustainability issues including climate change. Allstate created a new informal network of "Green Champions" to harness employee passion and ideas for improving Allstate's environmental commitment and performance.

Allstate also established departmental "Green Teams" tasked with encouraging energy efficiency among employees. Programs implemented include:
• reducing electricity use in office building;
• promoting use of campus shuttle buses;
• establishing periodic rideshare days; and
• decreasing paper use.

We launched an internal office paper reduction campaign in April 2009, with the goal of reducing overall office paper use by 25 percent by the end of 2010. The ongoing campaign reminds employees to print only when necessary, print double-sided whenever possible and recycle used paper. In 2010, Allstate achieved a 36% reduction in purchase of High-Speed White office paper used in all Home Office facilities, and a 54% reduction in purchase of multi-purpose white office paper used by all field offices countrywide. There was a total cost savings of $740,248 (vs. 2008 baseline expenses and using preliminary 2010 data).

Additionally, more than 5 million pounds of paper were recycled at the Home Office in 2010.

To improve ease of business, reduce expenses and improve Allstate's reputation among consumers, employees, shareholders, and other key stakeholders who are increasingly interested in the environment and the impacts of climate change on our company, the company created a new suite of paperless solutions (eBill, ePayments, and ePolicy) which deliver greater convenience, cost savings, and compelling environmentally friendly options for Allstate customers.

Last year Allstate suppressed nearly 12% of our billing documents compared to the plan of 8%. Contributing factors included continued efforts to build awareness and adoption of paperless solutions available to customers, such as EZPay, eBill, and the removal of unnecessary documents such as "zero amount due" bills which suppressed more than a half million mailings per month since August 2010. Additionally, as of November 2010, customers are able to opt in for electronic delivery of their auto and/or home policies.

While these actions will potentially increase the likelihood and magnitude of any opportunity to build upon Allstate's reputation among stakeholders, we cannot currently project any timeframe since this is an ongoing prospect.

(iii) Costs associated with these actions:
On an ongoing basis, there is no direct cost to implementing the employee engagement efforts. The annual cost of participating as a member company with Ceres is $40,000.

6.1g

Please explain why you do not consider your company to be exposed to opportunities driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

We generally do not expect current or anticipated regulatory requirements related to climate change to create opportunities related to Allstate's personal lines and life insurance businesses. We have considered regulatory opportunities in the United States over the next two to three years including heightened energy efficiency standards, greenhouse gas emissions limits/taxes, and potential impacts on products.

Allstate is a service company, so we do not expect possible climate change legislation or regulations to significantly impact our operations directly. Allstate does not have significant emissions or waste associated with the distribution of our products. We don't consume large amounts of raw materials, manufacture physical products, or maintain large fleets of vehicles. So our direct environmental impact is less than many other members of the Fortune 100.

We do not participate in activities that have the potential to benefit from regulatory actions such as renewable energy credits. Regulation is unlikely to reduce our costs, enable us to provide increased services, or give us a competitive advantage. It is unlikely that regulation will increase demand for our products.

In the unlikely situation that our industry is subjected to emissions regulations, Allstate may potentially have an advantage over its competitors, given our already established environmental commitments. However, this will likely not be substantive given the low emissions of our industry and low probability that our industry would be impacted by emissions regulations.

While Allstate actively addresses climate related risks and opportunities, we do not see any benefits from this position providing substantive opportunities in the occurrence of regulatory actions. We will continue to monitor developments in these areas and continue to re-assess the potential impacts on Allstate as the components and timeline of likely policy developments become clearer.

6.1h

Please explain why you do not consider your company to be exposed to opportunities driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

We have considered physical opportunities in the United States over the next two to three years associated with rising temperatures and changes in weather patterns. We generally do not expect current or anticipate physical impacts related to climate change to create opportunities related to our business.

While Allstate actively addresses climate related risks and opportunities, we do not see any benefits from this position providing substantive opportunities related to changes in the physical climate parameters. To the extent that climate change impacts mortality rates and those changes do not match our long-term mortality assumptions in our product pricing our Allstate Financial segment would be impacted. To the extent that climate change impacts valuation of commercial real estate properties or municipalities we invest in, our Investment results would be impacted.

To the extent climate change produces rising temperatures and changes in weather patterns that could impact the frequency or severity of weather events and wildfires, we continue to monitor such potential changes to attempt to make sure they are accurately reflected in the rates we charge for insurance that provides coverage related to extreme weather events and wildfires. However, we do not consider these possibilities to drive any substantial opportunities for Allstate.

We continue to monitor the situation, but the developments over the last 12 months have not changed our view on opportunities for Allstate related to the physical impacts of climate change.

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading

Page: 7. Emissions Methodology

7.1

Please provide your base year and base year emissions (Scopes 1 and 2)

Base year	Scope 1 Base year emissions (metric tonnes CO2e)	Scope 2 Base year emissions (metric tonnes CO2e)
Mon 01 Jan 2007 - Mon 31 Dec 2007	38973	194401

7.2

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please select the published methodologies that you use
US EPA Climate Leaders: Direct Emissions from Stationary Combustion
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
US EPA Climate Leaders: Indirect Emissions from Purchases/ Sales of Electricity and Steam

7.2a

If you have selected "Other", please provide details below

7.3

Please give the source for the global warming potentials you have used

Gas	Reference
CO2	IPCC Second Assessment Report (SAR - 100 year)
CH4	IPCC Second Assessment Report (SAR - 100 year)
N20	IPCC Second Assessment Report (SAR - 100 year)

7.4

Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data

Fuel/Material/Energy	Emission Factor	Unit	Reference
Distillate fuel oil No 2	161.85	lb CO2e per million BTU	Climate Leaders GHG Protocol, Stationary Combustion Sources, May 2008.
Natural gas	117.11	lb CO2e per million BTU	Climate Leaders GHG Protocol, Stationary Combustion Sources, May 2008.
Jet kerosene	21.33	lb CO2e per gallon	Climate Leaders GHG Protocol, Direct Emissions from Mobile Combustion Sources, May 2008.
Motor gasoline	19.43	lb CO2e per barrel	Climate Leaders GHG Protocol, Direct Emissions from Mobile Combustion Sources, May 2008.

Page: 8. Emissions Data - (1 Jan 2010 - 31 Dec 2010)

8.1

Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Operational control

8.2a

Please provide your gross global Scope 1 emissions figure in metric tonnes CO2e

35504

8.3a

Please provide your gross global Scope 2 emissions figure in metric tonnes CO2e

183474

8.4

Are there are any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions which are not included in your disclosure?

Yes

8.4a

Please complete the table

Source	Scope	Explain why the source is excluded
Refrigerant Gases (HFCs)	Scope 1	Allstate evaluated its refrigerant gas emissions in its owned facilities in 2009 and estimated that these emissions constitute less than 1% of the CO2-e emissions at the facility level. In aggregate, CO2-e emissions from refrigerant gases are less than 1% of Allstate overall emissions. Therefore, Allstate considers refrigerant gas emissions de minimis and will not track on an annual basis. Allstate will periodically reevaluate the refrigerant gas emissions to confirm that they continue to fall below the de minimis threshold.
Volatile Organic Compounds (VOCs)	Scope 1	Allstate evaluated its VOC emissions at printing centers in 2009 and determined that these emissions constitute less than 1% of the CO2-e emissions at the facility and less than .1% of Allstate overall emissions. Therefore, Allstate considers print- related VOC emissions de minimis and we will not track these on an annual basis. Allstate will periodically reevaluate the VOC emissions to determine to confirm that they continue to fall below the de minimis threshold.

8.5

Please estimate the level of uncertainty of the total gross global Scope 1 and Scope 2 figures that you have supplied and specify the sources of uncertainty in your data gathering, handling, and calculations

Scope	Uncertainty Range	Main sources of uncertainty	Please expand on the uncertainty in your data
Scope 1	More than 5% but less than or equal to 10%	Data Gaps Extrapolation	The main source of uncertainty in the development of Allstate's GHG inventory is related to data gaps. Allstate currently does not have access to activity data from leased space, but is investigating systems to manage the activity data at North American leased office spaces so that the associated GHG emissions can be calculated directly. Allstate developed extrapolation methodologies based on energy intensities provided by U.S. DOE to estimate emissions where data are unavailable. Allstate believes that these methodologies provide a reliable estimate of the GHG emissions. As Allstate's GHG management program matures, we anticipate requiring base year adjustments when actual data differs from estimated values. In such cases, Allstate will disclose the scope and rationale for any adjustments. The estimated emissions from Allstate's leased space constitute 40% of Allstate's total inventory. If the energy use estimates of the leased portfolio are off by 25%, this results in a variation in the total inventory of 10%

Scope	Uncertainty Range	Main sources of uncertainty	Please expand on the uncertainty in your data
Scope 2	More than 5% but less than or equal to 10%	Data Gaps Extrapolation	The main source of uncertainty in the development of Allstate's GHG inventory is related to data gaps. Allstate currently does not have access to activity data from leased space, but is investigating systems to manage the activity data at North American leased office spaces so that the associated GHG emissions can be calculated directly. Allstate developed extrapolation methodologies based on energy intensities provided by U.S. DOE to estimate emissions where data are unavailable. Allstate believes that these methodologies provide a reliable estimate of the GHG emissions. As Allstate's GHG management program matures, we anticipate requiring base year adjustments when actual data differs from estimated values. In such cases, Allstate will disclose the scope and rationale for any adjustments. The estimated emissions from Allstate's leased space constitute 40% of Allstate's total inventory. If the energy use estimates of the leased portfolio are off by 25%, this results in a variation in the total inventory of 10%

8.6

Please indicate the verification/assurance status that applies to your Scope 1 emissions

Not verified or assured

8.7

Please indicate the verification/assurance status that applies to your Scope 2 emissions

Not verified or assured

8.8

Are carbon dioxide emissions from the combustion of biologically sequestered carbon (i.e. carbon dioxide emissions from burning biomass/biofuels) relevant to your company?

No

Page: 9. Scope 1 Emissions Breakdown - (1 Jan 2010 - 31 Dec 2010)

9.1

Do you have Scope 1 emissions sources in more than one country or region (if covered by emissions regulation at a regional level)?

Yes

9.1a

Please complete the table below

Country	Scope 1 metric tonnes CO2e
United States of America	34534
Canada	737
United Kingdom	233

9.2

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

Page: 10. Scope 2 Emissions Breakdown - (1 Jan 2010 - 31 Dec 2010)

10.1

Do you have Scope 2 emissions sources in more than one country or region (if covered by emissions regulation at a regional level)?

Yes

10.1a

Please complete the table below

Country	Scope 2 metric tonnes CO2e

Country	Scope 2 metric tonnes CO2e
United States of America	181747
Canada	438
United Kingdom	1288

10.2

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

Page: 11. Emissions Scope 2 Contractual

11.1

Do you consider that the grid average factors used to report Scope 2 emissions in Question 8.3 reflect the contractual arrangements you have with electricity suppliers?

Yes

11.2

Has your organization retired any certificates, e.g. Renewable Energy Certificates, associated with zero or low carbon electricity within the reporting year or has this been done on your behalf?

No

Page: 12. Energy

12.1

What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

12.2

Please state how much fuel, electricity, heat, steam, and cooling in MWh your organization has consumed during the reporting year

Energy type	MWh
Fuel	168000
Electricity	272264
Heat	0
Steam	0
Cooling	0

12.3

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Fuels	MWh
Natural gas	124500
Motor gasoline	31800
Distillate fuel oil No 2	900
Jet kerosene	10800

Page: 13. Emissions Performance

13.1

How do your absolute emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

Increased

13.1a

Please complete the table

Reason	Emissions value (percentage)	Direction of change	Comment

Reason	Emissions value (percentage)	Direction of change	Comment
Other:	.33	Increase	While Scope 1 emissions decreased by 4.3% our Scope 2 emissions increased by 1.27%. The majority of our Scope 2 emissions come from electricity usage at our owned and leased sites. We do not have actual energy usage for all of our leased sites on an annual basis. As a result, we must estimate usage for a majority of the leased portfolio from year to year. The variation between actual usage and estimated usage can lead to increased and decreased overall MT Co2 emissions on a year by year basis. The 2010 the estimated electricity usage for certain sites, based on square footage and eGRID data, was significantly more than the reported actual usage from 2009. For our owned sites, in 2009 Allstate only had a partial year of energy data for the Rochelle data center. This site is now reporting a full year of energy usage, increasing Scope 2 emissions by 7,000 MT. In addition, our electricity usage for Allstate's North Plaza in 2009 was under reported due to a problem with our Com Ed utility meters. Once corrected the actual usage was 25% more than the original reported figures.

13.2

Please describe your gross combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Explanation

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Explanation
6.97	metric tonnes CO2e	unit total revenue	2.87	Increase	While combined scope 1 and 2 emissions stayed close to level, Allstate's revenue decreased by nearly 2%. The majority of our Scope 2 emissions come from electricity usage at our owned and leased sites. We do not have actual energy usage for all of our leased sites on an annual basis. As a result, we must estimate usage for a majority of the leased portfolio from year to year. The variation between actual usage and estimated usage can lead to increased and decreased overall MT Co2 emissions on a year by year basis. This year the estimated electricity usage for certain sites, based on square footage and eGRID data, was significantly more than the reported actual usage from 2009. For our owned sites, in 2009 Allstate only had a partial year of energy data for the Rochelle data center. This site is now reporting a full year of energy usage, increasing Scope 2 emissions by 7,000 MT. In addition, our electricity usage for Allstate's North Plaza in 2009 was under reported due to a problem with our Com Ed utility meters. Once corrected the actual usage was 25% more than the original reported figures.

13.3

Please describe your gross combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per full time equivalent (FTE) employee

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Explanation

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Explanation
6.76	metric tonnes CO2e	FTE Employee	12.67	Increase	The number of Allstate's employees decreased, while combined scope 1 and 2 emissions stayed close to level. The majority of our Scope 2 emissions come from electricity usage at our owned and leased sites. We do not have actual energy usage for all of our leased sites on an annual basis. As a result, we must estimate usage for a majority of the leased portfolio from year to year. The variation between actual usage and estimated usage can lead to increased and decreased overall MT Co2 emissions on a year by year basis. This year the estimated electricity usage for certain sites, based on square footage and eGRID data, was significantly more than the reported actual usage from 2009. For our owned sites, in 2009 Allstate only had a partial year of energy data for the Rochelle data center. This site is now reporting a full year of energy usage, increasing Scope 2 emissions by 7,000 MT. In addition, our electricity usage for Allstate's North Plaza in 2009 was under reported due to a problem with our Com Ed utility meters. Once corrected the actual usage was 25% more than the original reported figures.

13.4

Please provide an additional intensity (normalized) metric that is appropriate to your business operations

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Explanation

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Explanation
.02	metric tonnes CO2e	square foot	12.94	Increase	While combined scope 1 and 2 emissions stayed close to level, the square footage of our combined owned and leased sites decreased by approximately 11%. The majority of our Scope 2 emissions come from electricity usage at our owned and leased sites. We do not have actual energy usage for all of our leased sites on an annual basis. As a result, we must estimate usage for a majority of the leased portfolio from year to year. The variation between actual usage and estimated usage can lead to increased and decreased overall MT Co2 emissions on a year by year basis. This year the estimated electricity usage for certain sites, based on square footage and eGRID data, was significantly more than the reported actual usage from 2009. For our owned sites, in 2009 Allstate only had a partial year of energy data for the Rochelle data center. This site is now reporting a full year of energy usage, increasing Scope 2 emissions by 7,000 MT. In addition, our electricity usage for Allstate's North Plaza in 2009 was under reported due to a problem with our Com Ed utility meters. Once corrected the actual usage was 25% more than the original reported figures.

Page: 14. Emissions Trading

14.1

Do you participate in any emission trading schemes?

No, and we do not currently anticipate doing so in the next two years

14.2

Has your company originated any project-based carbon credits or purchased any within the reporting period?

No

Page: 15. Scope 3 Emissions

15.1

Please provide data on sources of Scope 3 emissions that are relevant to your organization

Sources of Scope 3 emissions	metric tonnes CO2e	Methodology	If you cannot provide a figure for emissions, please describe them
Business travel	33543	GHG emissions associated with commercial flights were calculated using air miles traveled and emissions factors from the US EPA Climate Leaders Business Travel Module. Allstate calculated GHG emissions associated with business travel in personal cars using vehicle miles and emissions factors from the US EPA Climate Leaders Business Travel Module. Global warming potentials are from the IPCC Second Assessment Report. Allstate did not apply a radiative forcing adjustment to the airline travel emissions.	
Other: Allstate's GHG inventory does not include emissions associated with the independent contractors across the country that operate as Exclusive Agencies and Financial Specialists, as they do not fall under the operational control of Allstate.	107000	Allstate estimated the Scope 1 and Scope 2 emissions for the office space of our independent contractors across the country that operate as Exclusive Agencies and Financial Specialists. The estimate is based on the average office size, its location, and energy intensities for office space from the U.S. Department of Energy's "Commercial Building Energy Consumption Survey (2003)".	

15.2

Please indicate the verification/assurance status that applies to your Scope 3 emissions

Not verified or assured

15.3

How do your absolute Scope 3 emissions for the reporting year compare to the previous year?

Decreased

15.3a

Please complete the table

Reason	Emissions value (percentage)	Direction of Change	Comment
Other:	19.89	Decrease	In 2010, Allstate significantly reduced travel by employees driving a decrease in Scope 3 emissions

Module: Sign Off

Page: Sign Off

Please enter the name of the individual that has signed off (approved) the response and their job title

Echo Morgan, Communication Manager

CDP: [X][-,-][P2]

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