The Allstate Corporation - Climate Change 2023

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

The Allstate Corp. is one of the largest publicly held personal lines insurers in the United States. Allstate was founded in 1931 and became a publicly traded company in 1993. Allstate empowers customers with protection to help them achieve their hopes and dreams. It provides affordable, simple and connected protection solutions. It creates opportunity for its team, economic value for its shareholders and improves communities. The Allstate Corp. common stock is listed on the New York Stock Exchange under the trading symbol “ALL.” Common stock is also listed on the Chicago Stock Exchange. Its business is conducted principally through Allstate Insurance Company and other subsidiaries (collectively, including The Allstate Corp., "Allstate"). The Allstate brand is widely known through the "You're in good hands with Allstate®" slogan. Allstate was listed among Fortune Magazine’s World’s Most Admired Companies (2022), and named to the World’s Most Ethical Companies® list for the eighth year in a row. Allstate has also been a member of the CDP “A” list for Climate Change in 2020, 2016 and 2012.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date
January 1 2022

End date
December 31 2022

Indicate if you are providing emissions data for past reporting years
Yes

Select the number of past reporting years you will be providing Scope 1 emissions data for
5 years

Select the number of past reporting years you will be providing Scope 2 emissions data for
5 years

Select the number of past reporting years you will be providing Scope 3 emissions data for
5 years

C0.3

(C0.3) Select the countries/areas in which you operate.
Australia
Austria
Belgium
Canada
Denmark
Finland
Germany
India
Japan
Lithuania
Luxembourg
Netherlands
Norway
Portugal
Spain
Sweden
United Kingdom of Great Britain and Northern Ireland
United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.
USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-FS0.7

(C-FS0.7) Which activities does your organization undertake, and which industry sectors does your organization lend to, invest in, and/or insure?

	Does your organization undertake this activity?	Insurance types underwritten	Industry sectors your organization lends to, invests in, and/or insures
Banking (Bank)	No	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	No	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	Yes	<Not Applicable>	Exposed to all broad market sectors
Insurance underwriting (Insurance company)	Yes	General (non-life)	None of the above

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	ALL

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Board-level committee	The Nominating, Governance and Social Responsibility Committee (NG&SRC) is a Board committee that oversees, among other things, Allstate's significant environmental, social, and governance priorities and reporting, including Allstate's Sustainability Report, which contains Allstate's greenhouse gas and other climate-related risk information. The NG&SRC consists of four directors on the Board, and the CEO and Chief Legal Officer and General Counsel participate in meetings. In 2022, the NG&SRC reviewed sustainability matters over multiple meetings, including two joint sessions with the Board.
Board-level committee	The Board's Risk and Return Committee (RRC) oversees the effectiveness of Allstate's Enterprise Risk and Return Management (ERRM) framework, governance structure, and decision-making. Material risks, including climate-related risks, are regularly assessed and reported to senior management and the Board. The RRC assists the Board with this responsibility and reviews a quarterly risk dashboard that identifies key risks and provides an overall perspective of Allstate's risk profile. Material risks are reviewed at least five times annually. The RRC oversees Allstate's aggregate risk profile. This includes the identification, measurement, and management of climate-related risks and the assessment of extremely low frequency scenarios, including weather-related scenarios. For example, the RRC was briefed on the wildfires in California to better understand our risks and impacts. The RRC is also briefed on other severe weather events such as hurricanes. The RRC members participate in other Board committees to ensure transparency and alignment in managing risks throughout the organization. Example of a climate-related decision made: Each year, reinsurance coverage is purchased based on in-depth analysis of Allstate's exposure to catastrophe risk, including hurricanes, earthquakes and fires following earthquakes, wildfires, and other catastrophes. Reinsurance is analyzed as a special topic as part of Allstate's broader insurance and climate-related analysis. The Chief Risk Officer presents the analysis of reinsurance strategy and implementation for RRC transparency and alignment.
Chief Risk Officer (CRO)	The RRC consists of five directors on the Board. The Chief Risk Officer (CRO), Chief Financial Officer (CFO), Chief Executive Officer (CEO), Chief Legal Officer and General Counsel, Chief Technology Officer, Chief Information Security Officer, and Chief Audit Executive participate in meetings. The CRO attends all meetings of the RRC and has regular executive sessions with the committee. The CRO attends these meetings because he is ultimately responsible for design and execution of Allstate's risk management program, including management of climate-related risks. The CRO is regularly updated on the impacts of significant climate related events, such as the wildfires in California and large-scale hurricanes. The CRO and RRC review a risk control dashboard on a quarterly basis, which incorporates climate-related risks. The CRO also attends other Board committee meetings and reports regularly to the full Board and senior management throughout the organization to ensure alignment on risk-related issues, including climate change. The Board regularly hears from the CRO about climate change risks and reviewed climate risk at two meetings in 2022.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Overseeing acquisitions, mergers, and divestitures Overseeing and guiding employee incentives Reviewing and guiding strategy Overseeing the setting of corporate targets Monitoring progress towards corporate targets Reviewing and guiding the risk management process	Climate-related risks and opportunities to our own operations Climate-related risks and opportunities to our investment activities Climate-related risks and opportunities to our insurance underwriting activities The impact of our own operations on the climate The impact of our insurance underwriting activities on the climate	The RRC oversees the effectiveness of Allstate's ERRM framework, governance structure and decision-making. It reviews enterprise risks at least five times annually, which includes climate-related risks on an as-needed basis. The governance mechanisms for the RRC include: 1) Review of an ERRM Summary Report that identifies key risks and provides an overall perspective of Allstate's risk profile; 2) Review of Allstate's risk and return position, capital levels, and strategic/operating plans; 3) Review of extremely low frequency scenarios ("ELFs"); 4) Review of strategic risks that are assessed in-depth as part of strategic planning processes, with climate change and severe weather being key risks that are evaluated; 5) Review of the regulatory Own Risk and Solvency Assessment ("ORSA") report; 6) Review of risk factors included in Form 10-K, including risks related to climate change and severe weather; 7) Inclusion of the Audit Committee Chair as an RRC member to enhance cross-committee communication; 8) Attendance of the CRO at all meetings, including regular executive sessions with committee members. In FY22 the Board and RRC continued to oversee efforts to assess and mitigate climate-related risks. The total impact of severe weather events, such as the California wildfires, indicated that Allstate's catastrophe response and risk management programs are operating effectively.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	Experience gained and responsibilities in capacity of position at current/most recent employer; Current/prior experience as board member at another publicly traded company.	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee
Chief Risks Officer (CRO)

Climate-related responsibilities of this position
Integrating climate-related issues into the strategy
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
Risks and opportunities related to our investing activities
Risks and opportunities related to our insurance underwriting activities
Risks and opportunities related to our own operations

Reporting line
CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line
More frequently than quarterly

Please explain
Allstate manages climate risks using its integrated Enterprise Risk and Return Management (ERRM) Framework, which applies risk and return principles, modeling and analytics, governance, and transparent dialogue to proactively manage the company's highest-priority risks.

The Chief Risk Officer chairs the Enterprise Risk and Return Council (ERRC), ensuring that it performs its duties, and reports to the CEO. The ERRC meets monthly and is Allstate's senior risk management committee below the Board level. The ERRC directs ERRM activities by establishing risk and return targets, determining economic capital levels, and monitoring integrated strategies and actions from an enterprise risk and return perspective. The Board regularly hears from Allstate's Chief Risk Officer about climate change risks and reviewed climate risk at two meetings in 2022.

Position or committee
Risk committee

Climate-related responsibilities of this position
Integrating climate-related issues into the strategy
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
Risks and opportunities related to our investing activities
Risks and opportunities related to our insurance underwriting activities
Risks and opportunities related to our own operations

Reporting line
Other, please specify (The ERRC is an internal management committee established to lead the Enterprise Risk and Return Management (ERRM) at Allstate.)

Frequency of reporting to the board on climate-related issues via this reporting line
More frequently than quarterly

Please explain
Allstate's insurance businesses depend on effectively modeling, pricing, and managing risks, including those related to climate change. Allstate manages climate risks using its integrated Enterprise Risk and Return Management (ERRM) Framework, which applies risk and return principles, modeling and analytics, governance, and transparent dialogue to proactively manage the company's highest-priority risks. The Enterprise Risk and Return Council ("ERRC") directs ERRM activities by establishing risk and return targets, determining economic capital levels, and monitoring integrated strategies and actions from an enterprise risk and return perspective.

Position or committee
Chief Procurement Officer (CPO)

Climate-related responsibilities of this position
Managing value chain engagement on climate-related issues

Coverage of responsibilities
<Not Applicable>

Reporting line
CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line
More frequently than quarterly

Please explain
Allstate's Chief Procurement Officer (CPO) incorporates sustainability initiatives into Allstate's purchasing practices. The CPO implemented a sustainability program as part of Sourcing & Procurement Solutions to assess the environmental risks and opportunities within Allstate's supply chain and purchasing operations enterprise-wide, including the potential to reduce greenhouse gas emissions.

Position or committee
Sustainability committee

Climate-related responsibilities of this position
Developing a climate transition plan
Integrating climate-related issues into the strategy
Monitoring progress against climate-related corporate targets

Coverage of responsibilities
<Not Applicable>

Reporting line
Other, please specify (Chief Legal Officer (CLO) reporting line)

Frequency of reporting to the board on climate-related issues via this reporting line
Half-yearly

Please explain
Allstate has maintained its cross-functional ESG Steering Committee since 2007. It includes experts from Strategy, Finance, Financial Products, Enterprise Solutions, Corporate Brand, Enterprise Risk and Return Management, Human Resources, Legal, Investments, Property-Liability, and Protection Products and Services. Allstate's senior vice president of corporate strategy and senior vice president of corporate law co-chair the committee, which meets monthly and updates senior executives regularly. With 12 members, including the two committee chairs, representing 11 business functions as of Dec. 31, 2022, the committee supports Allstate's commitment to the environment, health and safety, corporate social responsibility, human capital management, corporate governance, sustainability and other public policy matters. The Sustainability team participates in monthly ESG Steering Committee meetings and the Board of Directors is provided with regular updates.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	For more information, see allstatesustainability.com

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive
Corporate executive team

Type of incentive
Monetary reward

Incentive(s)
Bonus – set figure
Shares

Performance indicator(s)
Other (please specify) (Company performance including risk and return management of all risks (including climate risk))

Incentive plan(s) this incentive is linked to
Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)
Allstate's overall executive compensation program is designed to deliver compensation in accordance with performance and not reward excessive risk-taking. It includes both short-term and long-term incentive components. A significant percentage of executive total direct compensation is "pay at risk" through long-term stock options and equity grant awards linked to actual company performance. This encourages a long-term perspective on risk and return.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
Monetary incentives for achieving corporate and performance goals include risk and return management of all risks, including those affected by climate, with the impact of weather-related losses incorporated into incentive payouts. Risk and return management includes efforts to mitigate climate-related risk through advocacy for strong building codes, customer education, and product pricing structures to promote property upkeep and maintenance and reduce the potential impact of weather-related loss events due to climate change. Management of risk and return also ensures that pricing is aligned with the full exposure of the risk, including weather-related perils.

Entitled to incentive
Chief Procurement Officer (CPO)

Type of incentive
Monetary reward

Incentive(s)
Bonus - % of salary
Bonus – set figure
Promotion
Salary increase
Shares

Performance indicator(s)
Increased engagement with suppliers on climate-related issues
Increased value chain visibility (traceability, mapping, transparency)
Company performance against a climate-related sustainability index (e.g., DJSI, CDP Climate Change score etc.)

Incentive plan(s) this incentive is linked to
Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)
As a member of the corporate executive team and the ESG Steering Committee, Allstate's Chief Procurement Officer (CPO) incorporates sustainability initiatives into Allstate's procurement practices. The CPO implemented a sustainability program as part of Sourcing & Procurement Solutions to assess the environmental risks and opportunities within Allstate's supply chain and procurement operations enterprise-wide, including the potential to reduce greenhouse gas emissions. Allstate expects its most critical suppliers to disclose carbon levels and their plans for reductions annually. The progress of the sustainability program is measured by Allstate's increased engagement with suppliers on climate-related issues, increased value chain visibility and company performance against a climate-related sustainability index. The performance of this sustainability program is one component of the incentives for the CPO and program development team.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
In December 2022, Allstate announced a commitment to achieve net zero emissions for direct, indirect and value-chain greenhouse gas (GHG) emissions by 2030, ahead of the Paris Agreement timeline. One key component of how Allstate will accomplish its 2030 net zero goal is by working to reduce emissions of its third-party suppliers. Allstate's progress towards the net zero goal will be reflected in a 2023 enterprise goal to include sustainability language in 100 supplier agreements, representing a range of externally purchased goods and services categories. Climate expectations are also reflected in Allstate's Supplier Code of Business Conduct.

C-FS1.4

(C-FS1.4) Does your organization offer its employees an employment-based retirement scheme that incorporates ESG criteria, including climate change?

	Employment-based retirement scheme that incorporates ESG criteria, including climate change	Describe how funds within the retirement scheme are selected and how your organization ensures that ESG criteria are incorporated	Provide reasons for not incorporating ESG criteria into your organization's employment-based retirement scheme and your plans for the future
Row 1	No, and we do not plan to in the next two years	<Not Applicable>	Allstate continues to evaluate investment options that incorporate ESG criteria if appropriate for the plan.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	1	For more information, see allstatesustainability.com
Medium-term	1	7	For more information, see allstatesustainability.com
Long-term	7	30	For more information, see allstatesustainability.com

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Allstate considers the totality of various factors, instead of applying a one-size-fits-all definition of substantive impact.

Definition of substantive financial or strategic impact: In defining substantive financial or strategic impact to the company, Allstate considers multiple factors such as the pace of change, likelihood, potential impact, and ability to achieve strategic goals. Allstate's holistic risk analysis incorporates financial, customer, employee, agent, reputation, regulatory/legal and technology impacts that are sized for the enterprise as well as individual business units.

Quantifiable Indicator: Risks that are deemed substantive, leveraging our enterprise risk scale and the following definition of an elevated risk: Increased potential for loss due to considerable knowledge gaps, inadequate mitigation strategies, and/or elevated uncertainty about underlying risk dynamics pointing to a loss that may exceed the respective risk tolerance. Risk requires plan for improvement and continuous monitoring. Non-quantifiable risks are also taken into account during substantive impact evaluation.

Substantive financial or strategic impacts on Allstate's business for the purposes of assessing climate-related risks are identified by assessing alignment with enterprise risk and return principles. We take risk prudently and purposefully, without jeopardizing Allstate's financial and franchise foundation. Allstate's activities and risks are managed in a manner that:

- Maintains capital above a regulatory minimum threshold after a stress event (quantifiable indicators include deployable capital, Debt-to-Capital Ratio, fixed coverage ratio and Risk Based Capital ratio)
- Maintains liquidity that will allow the company to meet capital needs and customer obligations (quantifiable measures are applied on a monthly and quarterly basis)
- Maintains an investment-grade senior debt rating (agencies include A.M Best, Standard & Poor's and Moody's)
- Allows Allstate to meet planned dividend commitments
- Enables Allstate to maintain its reputation as a top tier institution operating with the utmost integrity (Allstate uses a scorecard to measure reputational trends across different segments such as customers, employees, consumers, and agents/financial specialists)

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered
Direct operations
Upstream

Risk management process
Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
More than once a year

Time horizon(s) covered
Short-term
Medium-term
Long-term

Description of process
Allstate manages climate change risk as part of the Enterprise Risk and Return Management (ERRM) program, which the Board oversees through its Risk and Return Committee (RRC). Enterprise risks and opportunities are identified, prioritized, measured, managed, monitored, and reported under an integrated ERRM framework, which incorporates the company's risk appetite statement, risk and return principles, key risk areas, governance, modelling, analytics, and transparent management dialogue.

Risk identification and assessment: ERRM facilitates a risk identification process that identifies the top risks with a potentially substantive financial or strategic impact on the organization. Risks and opportunities are evaluated in six key areas: insurance, investment, financial, operational, strategic execution, and culture. The process evaluates risks by assessing the likelihood of occurrence and the potential impact in the context of the time horizon for achieving Allstate's objectives both at the enterprise level and within business units. This evaluation may take into consideration a variety of factors with respect to any particular risk, including its susceptibility to quantitative analysis, its speed of emergence, and Allstate's level of preparedness. Climate-related risks are assessed across several dimensions:

1) Strategic and Operating Plans: ERRM completes annual risk and return assessments for both the operating (annual) plan and the strategic (3-year) plans, focused on alignment to risk and return principles. Plan assessments evaluate internal and external risk drivers, underlying assumptions, quantitative measures, and execution risk.

2) Modeling: The Catastrophe Modeling and Analytics Team and Pricing Groups monitor climate change information as part of their analysis of weather-related trends. Models developed internally and by third-party vendors are used along with Allstate's own historical data in assessing property insurance exposure to catastrophe losses. Losses and changes in exposure are analyzed and reported to senior leaders biannually, with additional monitoring provided as needed. Pricing is aligned with the full exposure of the risk, including weather-related perils.

3) Management and Board Reporting: Key risks are assessed and reported at least quarterly via ERRM's comprehensive Summary Report, prepared for senior management and the Board's RRC.

Oversight and decision-making structure: The Audit Committee has responsibility for risks discussed by the Board's RRC for consideration in its control environment. The Board's RRC is responsible for the evaluation of the ERRM function. In addition to the Board's RRC, an executive management-level committee and business unit chief risk officers (CROs) are responsible for program oversight. The Enterprise Risk & Return Council (ERRC) is the senior risk management committee that establishes risk-return targets, determines capital levels, and directs integrated strategies and actions. The ESG Steering Committee (formerly the Sustainability Council) further promotes climate change accountability. Committee members, consisting of senior leadership from across the organization, utilize their unique perspectives and knowledge of the company's operations and customers to identify key risks and opportunities related to sustainable business practices. The ESG Steering Committee meets monthly to review existing and emerging environmental and social issues, identify opportunities and strategies to address these issues, and encourage and enable employee engagement with the company's sustainability strategy.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	As an insurance company, Allstate is subject to extensive regulation and involved in various legal and regulatory actions, all of which affect specific aspects of the company's business. Allstate proactively monitors regulatory proposals that will have an impact on its business. Current regulations are included in Allstate's risk assessment and risk management processes to ensure that any risks are managed properly, including those that are climate related. Additional governance is provided through Allstate's compliance processes and "three lines of defense" risk model. For example, although Allstate is not currently subject to climate-related regulations for managing greenhouse gas emissions, it is possible that other types of regulations may indirectly affect the company's ability to manage climate-related risks to its business. In various states, Allstate is required to participate in assigned risk plans, reinsurance facilities, and joint underwriting associations that provide insurance coverage to individuals or entities that otherwise are unable to purchase such coverage from private insurers. Over time, Allstate consistently manages and monitors its aggregate insurance exposure to catastrophe losses in certain regions of the country that are subject to high levels of natural catastrophes. However, the impact of these actions may be diminished by the growth in insured values and the effect of state insurance laws and regulations. Changes to current regulations, either directly or indirectly climate-related, could result in higher operating costs and expenses for Allstate.
Emerging regulation	Relevant, always included	Allstate is subject to extensive regulation and involved in various legal and regulatory actions, all of which affect specific aspects of the company's business. Allstate proactively monitors regulatory proposals that will have an impact on its business. Emerging regulations are included in Allstate's risk assessment and risk management process to ensure that any risks are managed properly, including anything climate-related. Additional governance is provided through Allstate's compliance processes and independent oversight. For example, emerging regulations may affect the company's ability to manage climate-related risks to its business. In various states, Allstate is required to participate in assigned risk plans, reinsurance facilities and joint underwriting associations that provide insurance coverage to individuals or entities that otherwise are unable to purchase such coverage from private insurers. Over time, Allstate consistently monitors and manages its aggregate insurance exposure to catastrophe losses in certain regions of the country that are subject to high levels of natural catastrophes. However, the impact of these actions may be diminished by the growth in insured values and the effect of state insurance laws and regulations. Emerging regulations, either directly or indirectly climate-related, could result in higher operating costs and expenses for Allstate. Regulations focused on energy efficiency or carbon reduction could require changes to Allstate's operations and infrastructure.
Technology	Relevant, always included	Technological innovations that improve energy efficiency in buildings are of great value to Allstate's operations and are considered in its risk assessment process when evaluating these types of capital expenditures. Return on investment is examined, and depending on the total costs involved, projects are reviewed at the appropriate level of approval within Allstate's organizational structure. Another example of a climate-related technological risk to Allstate is the processing of claims during hurricanes or severe weather events. In order to handle claims on-site, Allstate needs reliable, secure, and effective technology for all communications and data processing. Vulnerabilities such as connectivity issues, security breaches, and insufficient access to electricity must be mitigated, and these risks are included in Allstate's risk assessment processes to ensure proper business continuity.
Legal	Relevant, always included	Legal risks are included in the six categories of risks regularly assessed by Allstate. Losses from legal and regulatory actions may be material to Allstate's operational results, cash flows, and financial condition. Allstate is involved in various legal actions, including class-action litigation challenging a range of company practices and coverage provided by its insurance products, some of which involve claims for substantial or indeterminate amounts. Allstate is also involved in various regulatory actions and inquiries, including market conduct exams by state insurance regulatory agencies. In the event of an unfavorable outcome in any of these matters, the ultimate liability may be in excess of amounts currently accrued, if any, and may be material to Allstate's operational results, cash flows, and financial condition. One example of a climate-related legal risk to Allstate involves new notification of policy coverage in the state of California for losses due to flood, mudslides, and earth movement related to recent wildfires. The California Department of Insurance has determined that while flood, mudslides, and earth movement are excluded causes of loss in standard policy language, they must be covered if the proximate cause of loss was triggered by a wildfire. To eliminate disputes regarding what is/isn't covered, Allstate may choose to pay claims that have not been considered in the pricing and underwriting strategies for these property policies to avoid potential legal action.
Market	Relevant, always included	Allstate considers market risk (the risk of loss from adverse changes in the value of the investment portfolio) in its assessment of climate risks. Investment portfolio management factors in climate risk when considering specific investments, and from a portfolio perspective, Allstate aggregates and measures its sector exposures to more carbon-intensive industries, considering their market risk profile and contributions to the portfolio. To further enhance Allstate's identification and measurement of climate risks in the investment portfolio, the company is working with a consultant to establish a financed emissions inventory and is evaluating evolving methodologies and approaches to explicitly measure the potential impact of climate change on the market value of its investments. Allstate wants to help the world transition to a lower-carbon emissions footprint by considering investments in companies that will provide capital for their transition. These investments also provide opportunities for value creation within the investment portfolio and improve returns to shareholders.
Reputation	Relevant, always included	Allstate's Strategic Risk Management process addresses loss associated with inadequate or flawed business planning or strategy setting. This includes reputational risk, which is the potential for negative publicity regarding Allstate's conduct or business practices to adversely impact profitability, operations, or the consumer base, or to require costly litigation and other defensive measures. Climate-related reputational risks are incorporated in this process. Allstate proactively monitors its sustainability efforts through collaborative efforts across the organization. The Sustainability Report is published annually, providing evidence of Allstate's efforts and commitments. Further, ongoing support is provided by senior management through various governance processes, including the Enterprise Risk and Return Council. Additionally, Allstate manages climate-related reputational risk through Allstate Board and senior management strategy reviews that include a risk and return assessment of the company's strategic plans and ongoing monitoring of its strategic actions and the external competitive environment. As a property-casualty insurance company, Allstate's ability to pay claims in a timely fashion following outbreaks of severe weather and catastrophes is critical in managing climate-related reputational risk. Allstate seeks to maintain an understanding of climate risks that directly affect both its liability insurance products and its assets, and the company acts to modify those products and protect those assets accordingly to protect its shareholders, customers, and reputation. In doing so, Allstate enhances its reputation and wins support from consumers, which can lead to increased willingness to buy a policy and recommend Allstate to other potential customers.
Acute physical	Relevant, always included	The increased impacts of weather events and natural catastrophes affect the cost and number of claims submitted by Allstate's customers. Associated rate increases can also impact the Allstate customer experience and the company's reputation. Allstate's success depends, in part, on its ability to properly model, price, and manage climate-related risks, as well as to develop products and services that address climate concerns. For example, there is generally an increase in the frequency and severity of auto and property claims when severe weather conditions occur. Areas of heightened potential catastrophe losses due to hurricanes include major metropolitan centers in counties along the Eastern and Gulf coasts of the United States. Additionally, wildfires and severe weather pose significant catastrophe risks to the company. Financial risks related to hurricanes, wildfires, and severe weather are included in Allstate's climate risk assessments. In addition, catastrophe teams model hurricanes and tropical storms, wildfires, and severe weather such as tornadoes and hail. Allstate monitors experience closely to ensure trends are reflected in its pricing, thus mitigating its exposure and aligning pricing with exposure. On the Investments side, Allstate also models and measures potential impacts on real estate and natural capital investments, as well as limits concentrations in catastrophe-prone areas.
Chronic physical	Relevant, always included	In addition to exacerbating the impacts of natural catastrophes, climate change will likely also drive chronic impacts such as sea level rise. Chronic climate-related physical impacts are regularly included in Allstate's risk assessment process, to ensure the company is properly mitigating the potential risks. The increased risks in coastal regions due to sea level rise affect the cost and number of claims submitted by Allstate customers. Associated rate increases can also impact the Allstate customer experience and the company's reputation. Allstate's success depends, in part, on its ability to properly model, price and manage climate-related risks, as well as develop products and services to address the chronic physical impacts of climate change. For example, in order to mitigate potential losses in areas subject to sea level rise, Allstate has been selective with personal homeowners' insurance new business underwriting in certain coastal areas and utilizes deductibles or exclusions where appropriate. Allstate monitors experience closely to ensure trends are reflected in its pricing, thus mitigating its exposure and aligning pricing with risk.

C-FS2.2b

(C-FS2.2b) Do you assess your portfolio's exposure to climate-related risks and opportunities?

	We assess the portfolio's exposure	Explain why your portfolio's exposure is not assessed and your plans to address this in the future
Banking (Bank)	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	Yes	<Not Applicable>
Insurance underwriting (Insurance company)	Yes	<Not Applicable>

C-FS2.2c

(C-FS2.2c) Describe how you assess your portfolio's exposure to climate-related risks and opportunities.

	Type of risk management process	Proportion of portfolio covered by risk management process	Type of assessment	Time horizon(s) covered	Tools and methods used	Provide the rationale for implementing this process to assess your portfolio's exposure to climate-related risks and opportunities
Banking (Bank)	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	Integrated into multi-disciplinary company-wide risk management process	100	Qualitative and quantitative	Short-term Medium-term Long-term	Risk models Internal tools/methods External consultants	Investment portfolio management factors in climate risk when considering specific investments, and from a portfolio perspective, Allstate aggregates and measures its sector exposures to more carbon-intensive industries, considering their market, liquidity, and credit risk profiles and contributions to the portfolio. To further enhance Allstate's identification and measurement of climate risks in the investment portfolio, the company: 1) has expanded its external data sources, 2) worked with an external consultant and is continuing to establish a scope 3 financed emissions inventory, and 3) is evaluating evolving methodologies and approaches (including third party models) to explicitly measure the potential impact of climate change on the market value of its investments. To measure physical risks, Allstate performs catastrophe risk modeling using third party risk models on its owned commercial real estate portfolio on at least an annual basis.
Insurance underwriting (Insurance company)	Integrated into multi-disciplinary company-wide risk management process	100	Qualitative and quantitative	Short-term Medium-term Long-term	Risk models Scenario analysis Internal tools/methods	Allstate works to understand climate risks that affect its insurance products and assets. Allstate's Catastrophe Modeling and Analytics Team and pricing groups monitor climate change information and update leadership regularly. Allstate manages climate-related risks and opportunities within its Enterprise Risk and Return Management (ERRM) framework, which applies risk-return principles, governance, modeling, and analytics, while maintaining the company's strong foundation of financial strength, building strategic value, and optimizing return. Climate-related risks are identified, measured, managed, monitored and reported while focusing on insurability, underwriting and investments. Allstate has been able to adapt to increased catastrophe risk through actions that include: 1) Purchasing multi-year reinsurance protection as well as aggregate coverage, giving Allstate protection in years with extreme losses across multiple risk types; 2) Limiting new business for Allstate's personal lines auto and property insurance in areas most exposed to hurricanes, including coastal areas in Southern and Eastern states; 3) Implementing Tropical Cyclone and/or Wind/Hail deductibles or exclusions where appropriate; 4) Partnering with federal and state governments for over 25 years to create programs to help provide protection for insureds most exposed to climate change through the establishment of entities like Florida Citizens, the Florida Hurricane Catastrophe Fund, the Texas Windstorm Insurance Association, the California Earthquake Authority, as well as leading industry initiatives through the founding of ProtectingAmerica.org; 5) Limiting coverage exposure for existing and new risks as hurricanes/tropical storms imminently approach landfall. In this context 'portfolio coverage' is based on the total value of investments for which short- and long-term potential exposures to environmental and climate-related risks are monitored.

C-FS2.2d

(C-FS2.2d) Does your organization consider climate-related information about your clients/investees as part of your due diligence and/or risk assessment process?

	We consider climate-related information	Explain why you do not consider climate-related information and your plans to address this in the future
Banking (Bank)	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	Yes	<Not Applicable>
Insurance underwriting (Insurance company)	Yes	<Not Applicable>

C-FS2.2e

(C-FS2.2e) Indicate the climate-related information your organization considers about clients/investees as part of your due diligence and/or risk assessment process, and how this influences decision-making.

Portfolio
Investing (Asset owner)

Type of climate-related information considered
Emissions data
Emissions reduction targets
Climate transition plans

Process through which information is obtained
Directly from the client/investee
Data provider

Industry sector(s) covered by due diligence and/or risk assessment process
Energy
Materials
Capital Goods
Commercial & Professional Services
Transportation
Automobiles & Components
Consumer Durables & Apparel
Consumer Services
Retailing
Food & Staples Retailing
Food, Beverage & Tobacco
Household & Personal Products
Health Care Equipment & Services
Pharmaceuticals, Biotechnology & Life Sciences
Software & Services
Technology Hardware & Equipment
Semiconductors & Semiconductor Equipment
Telecommunication Services
Media & Entertainment
Utilities
Real Estate

State how this climate-related information influences your decision-making
Allstate classifies sectors based on exposure to environmental risks, including climate change, and analyzes environmental risks. The sizing and maturity profile of Allstate's positions is considered through its risk management process. Sectors with higher potential exposure are primarily invested in public markets, providing flexibility to adjust exposures. Allstate classifies commercial real estate investments based on their modeled exposure to catastrophe risks and incorporates these risks in its underwriting and insurance practices. Allstate continues to evolve its risk management processes regarding climate risk. The company incorporates tools for ESG and climate-related data into certain processes and trains the Investments team on their use.

Examples of climate-related decisions: In 2021, Allstate began using ESG data feeds and analysis from expert research firms to assess its assets, exposures and ESG risks. In 2022, the company finalized a commitment to set a goal for its financed emissions by the end of 2025. Allstate has been disclosing Scope 1 and 2 emissions for its CDP submission since 2010. The company performs a Scope 3 review of financed emissions covering the investment portfolio subject to data availability and is enhancing its baseline inventory while working towards setting a target year. Allstate plans to expand the Task Force on Climate-Related Financial Disclosures (TCFD) report to reflect the work done on measuring both operational emissions and financed emissions. Allstate is developing a financed emissions inventory that helps identify the impact of its investment portfolio on climate change and facilitate emissions reductions. Allstate reports its largest emitters (where data is available) by company and sector to committees and asset managers on a periodic basis. For the highest emitters, Allstate also tracks the companies' future net zero targets. Allstate continues to make commitments to private companies that are committed to energy transition and sustainable investing.

Portfolio
Insurance underwriting (Insurance company)

Type of climate-related information considered
Other, please specify (Individual risk characteristics including, but not limited to, location, wildfire risk score, and catastrophe modeling.)

Process through which information is obtained
Directly from the client/investee
From an intermediary or business partner
Data provider
Public data sources

Industry sector(s) covered by due diligence and/or risk assessment process
Consumer Services

State how this climate-related information influences your decision-making
Individual risks are assessed during the new business underwriting process.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Risk 1

Where in the value chain does the risk driver occur?
Insurance underwriting portfolio

Risk type & Primary climate-related risk driver

Current regulation	Regulation and supervision of climate-related risk in the financial sector

Primary potential financial impact
Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification
Insurance risk

Company-specific description
Allstate is subject to extensive regulation and is involved in various legal and regulatory actions, all of which have an effect on specific aspects of its business. Over time, Allstate consistently monitors and manages its aggregate insurance exposure to catastrophe losses in certain regions of the country that are subject to high levels of natural catastrophes. However, the impact of these actions may be diminished by the growth in insured values and the effect of state insurance laws and regulations. In addition, in various states Allstate is required to participate in assigned risk plans, reinsurance facilities, and joint underwriting associations that provide insurance coverage to individuals or entities that otherwise are unable to purchase such coverage from private insurers. Because of Allstate's participation in these, and other state facilities such as wind pools, it may be exposed to both losses that surpass the capitalization of these facilities and assessments from these facilities.

Most notably, the residual markets of the Texas Windstorm Insurance Association (TWIA), North Carolina Joint Underwriting Association (NCJUA), and North Carolina Insurance Underwriting Association (NCIUA) have the potential for significant member assessments to Allstate. The financial implications related to regulatory risks can vary. Regulatory constraints often inform those areas where Allstate cannot earn appropriate returns or chooses to exclude wind on policies written. In such instances, Allstate typically participates in residual market mechanisms.

It is estimated that Allstate has a 1% probability of exceeding $130M of loss on an annual aggregate basis, after the application of any applicable reinsurance from residual market assessments. The risk of these assessments is mitigated by including them as defined subject loss within Allstate's Nationwide Excess Catastrophe Reinsurance Program. Additionally, potential regulatory changes could result in higher operating and underwriting expenses for Allstate.

Time horizon
Medium-term

Likelihood
Unlikely

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
130000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
The financial implications related to regulatory risks can vary. Regulatory constraints often inform those areas where Allstate cannot earn appropriate returns or chooses to exclude wind on policies written. In such instances, Allstate typically participates in residual market mechanisms.

Breakdown of figure: The $130M loss figure was calculated based on an analysis of potential loss assessments from residual market mechanisms at a 1% probability of exceedance on an annual aggregate basis, after the application of any applicable reinsurance. It was derived by considering member assessments for any given year, leveraging output from the Verisk (formerly AIR Worldwide) hurricane model and sorting those years from largest to smallest. The 99th percentile loss year was then selected. The assessments underlying these calculations occur when the residual market's capital and risk transfer program is not sufficient to cover member losses, or when particular layers of the program are identified as member assessment layers. The $130M figure is largely driven by Allstate's participation in the Texas Windstorm Insurance Association (TWIA), and the North Carolina Joint Underwriting Association (NCJUA) and Insurance Underwriting Association (NCIUA). Although Allstate is also involved in other residual markets, the anticipated assessments for most of these mechanisms are recoupable.

Cost of response to risk
1347857

Description of response and explanation of cost calculation
Situation: Regulatory constraints often inform those areas where Allstate is unable to earn appropriate returns or chooses to exclude wind on policies written. In such instances, Allstate participates in residual market mechanisms.

Task: Understand the potential impact of residual market assessments.

Action: Allstate is at risk of at least a $130M residual market assessment/loss at a 1% likelihood for any given year.

Result: To mitigate the risk of potential non-recoupable assessments, Allstate includes non-recoupable assessments as covered subject loss within its Nationwide Excess Catastrophe Reinsurance Program. The program is placed on an annual cadence, effective on June 1 of each year. Allstate continues to monitor the potential for future residual market assessments based on both internal analysis and support from its reinsurance intermediary, Aon. The cost of Allstate's reinsurance programs was $788M in 2022, but it covers far more than just the potential for residual market assessments. Allstate monitors all significant enterprise risks, on a regular basis, using fluid risk identification processes to reflect a continuously shifting external and internal risk environment. Property catastrophe exposure management includes purchasing reinsurance to provide coverage for known exposure to hurricanes, earthquakes, wildfires, and other catastrophes. Allstate also promotes measures to prevent and mitigate losses and make homes and communities more resilient, including enactment of stronger building codes and effective enforcement of those codes, adoption of sensible land use policies, and development of effective and affordable methods of improving the resilience of existing structures. For example, Allstate is a member of the Insurance Institute for Business & Home Safety (IBHS), an organization that conducts objective, scientific research to identify and promote effective actions that strengthen homes, businesses, and communities against natural disasters and other causes of loss. The relationship with IBHS is considered ongoing and Allstate intends to continue its support as a contributing member via annual dues. This is an ongoing engagement to evaluate climate change as it relates to the company's future risk exposure.

Breakdown of figure: Over the past five years, on an annual basis, Allstate spent an average of $1.35 million to support the efforts of IBHS through annual dues.

Comment
For more information, see allstatesustainability.com

Identifier
Risk 2

Where in the value chain does the risk driver occur?
Insurance underwriting portfolio

Risk type & Primary climate-related risk driver

Acute physical	Storm (including blizzards, dust, and sandstorms)

Primary potential financial impact
Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification
Capital adequacy and risk-weighted assets

Company-specific description
Climate change, to the extent it produces changes in weather patterns, could affect the frequency or severity of weather events and wildfires as well as the demand, price, and availability of homeowners insurance and the results for Allstate. As a property and casualty insurer, Allstate may face significant losses from catastrophes. The increased frequency and severity of weather events and natural catastrophes affect the cost and number of claims submitted by Allstate customers.

Associated rate increases can also impact Allstate's customers and reputation. Allstate's success depends, in part, on its ability to properly model, price and manage climate and weather-related risks, as well as develop products and services to address climate change. Areas of heightened potential catastrophe losses due to hurricanes include major metropolitan centers in counties along the eastern and gulf coasts of the United States, such as the Northeast and Texas, where Allstate has a larger share of the insurance market when compared to other states, thereby causing a concentration of risk in certain metro areas. Any growth in hurricane-exposed states are closely monitored to ensure appropriate returns are earned on any new business written. Annual projection scenarios are conducted to assess future loss potential based on anticipated changes in the underlying book of business and future risk transfer purchase. For Wildfire, California is the state of largest concern; however, Allstate does not currently write new property business for owners and condo lines within that state as of November 2022.

Allstate's risk transfer program is placed each year to help support its stated corporate risk tolerance of having less than a 1% likelihood of exceeding annual aggregate catastrophe losses of $2.5 billion net of reinsurance from hurricanes, wildfires, and earthquakes. Allstate therefore takes into consideration the concentrations of risk in states such as Texas and New York. As of June 1, 2022, Allstate was covered on a first event Nationwide (ex-FL) basis for losses in excess of $6.6 billion after any applicable retentions and co-participation. This tower is in addition to stand-alone towers for Florida, the National General Reciprocal companies, and National General Lender Services. Allstate is also working to promote measures to prevent and mitigate losses and make homes and communities more resilient.

Time horizon
Short-term

Likelihood
Likely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
3338000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
As of Dec. 31, 2022, Allstate has less than a 1% likelihood of exceeding annual aggregate catastrophe losses of $2.5 billion net of reinsurance from hurricanes, wildfires, and earthquakes based on modelled assumptions and applications currently available. The use of different assumptions and updates to industry models, and updates to Allstate's risk transfer program, could materially change the projected loss. Allstate's growth strategies include areas where it believes it can enhance diversification and earn an appropriate return for the risk. In addition, Allstate has exposure to other severe weather events.

Breakdown of figure: Average calendar year losses, including claims adjustments expenses over the past 3 years (2022, 2021 and 2020), are $921 million [($399M+$742M+$1,001M)/3]+[($52M+$269M+$300M)/3] for hurricane and wildfire, respectively. In addition, Allstate has exposure to other severe weather events. Allstate defines severe weather losses from events including rain, wind/hail, and tornadoes as chronic catastrophe loss. These are not caused by, but could be made worse by, climate change. The average calendar year losses, including claims adjustment expenses, of severe weather catastrophe losses (such as rain, wind/hail and tornadoes) of the past 3 years (2022, 2021 and 2020) are $2.4 billion [($192M+$107M+$43M)/3+($1,936M+$1,878M+$1,940M)/3+($515M+$611M+$30M)/3] for tornado, wind/hail, and freeze/other events, respectively. These losses are differentiated from severe weather events resulting from hurricane, wildfire and earthquake (Acute risk). In total, the $921M + $2.4B = $3.34B, which is listed as the potential financial impact. Note that these figures exclude prior year reserve re-estimates and aggregate reinsurance recoveries.

Cost of response to risk
788000000

Description of response and explanation of cost calculation
Situation: Allstate uses models developed by third-party vendors and its own historical data in assessing its property insurance exposure to catastrophe losses. These models assume various conditions and probability scenarios. Allstate has addressed its risk of hurricane loss by, among other actions, purchasing reinsurance. Insurance underwriting principles and reinsurance purchase are also guided by Allstate's corporate risk tolerance.

Task: Monitor total risk relative to the corporate risk tolerance.

Action: In areas most exposed to hurricanes, Allstate is limiting personal homeowners, landlord package, and manufactured home new business policies, implementing tropical cyclone deductibles where appropriate, and not offering continuing coverage on certain policies. Allstate continues to seek appropriate returns for the risks it writes. As of Dec. 31, 2022, Allstate has less than a 1% likelihood of exceeding annual aggregate catastrophe losses of $2.5 billion net of reinsurance from hurricanes, wildfires, and earthquakes based on modeled assumptions and applications currently available, which is within its corporate risk tolerance.

Result: Continued monitoring and active management of Allstate's risks may highlight further necessary actions, in geographies where it is not achieving appropriate risk-adjusted returns. For example, Allstate stopped offering new business policies for Owners and Condo risks in California in November 2022. However, Allstate may maintain or opportunistically increase its presence in areas where it achieves adequate returns and does not materially increase its catastrophe risk. Property catastrophe exposure management includes purchasing reinsurance to provide coverage for known exposure to catastrophes. As of June 1, 2022, Allstate was covered on a first event Nationwide (ex-FL) basis for losses in excess of $6.6 billion after any applicable retentions (historically $500M for this program) and co-participation. This tower is in addition to stand-alone towers for Florida, the National General Reciprocal companies, and National General Lender Services. Allstate is also working to promote measures to prevent and mitigate losses and make homes and communities more resilient.

Breakdown of figure: The total cost of Allstate's catastrophe reinsurance program during 2022 was $788 million, which represents the total premium across all traditionally placed and cat bond contracts in 2022.

Comment
For more information, see allstatesustainability.com

Identifier
Risk 3

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Chronic physical	Changing precipitation patterns and types (rain, hail, snow/ice)

Primary potential financial impact
Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification
Operational risk

Company-specific description
In addition to extreme weather events, Allstate is also subject to claims arising from weather events such as winter storms, rain, hail, and high winds. Climate change could produce changes in weather patterns and increase the frequency of severe weather. There is generally an increase in the frequency and severity of auto and property claims when severe weather conditions occur. Severe weather trends can increase operational risks, disrupting customer policy service and claims handling.

Allstate ensures business continuity following a catastrophe through a multifaceted readiness and response strategy. The Allstate Foundation partners with agents and nonprofits to prepare communities for disasters. At the state level, Allstate has successfully advocated for changes that address climate change by strengthening building codes, expanding emergency response capabilities, and creating catastrophe insurance pools. Following a catastrophe, the Allstate Disaster Help Center and Mobile Claims Centers allow claims to be serviced rapidly, online and on the ground. Claims contractors provide additional support during periods of claims staffing shortages, including during natural disasters. Such provisions support disaster-readiness for customers, communities, and business operations. A climate-related technological risk to Allstate lies in the processing of claims during severe weather events. To handle claims on-site, Allstate needs reliable, secure, and effective technology. Vulnerabilities such as connectivity issues, security breaches, or access to electricity must be mitigated, so these are included in Allstate's risk assessment process to ensure proper business continuity. The impact of prior severe weather events, such as Hurricane Ian in 2022, validated the effectiveness of Allstate's catastrophe response and risk management programs. Nevertheless, an increase in any year's weather-related catastrophes could exert operational pressure on Allstate's climate response team, which could lead to a declining customer experience and associated loss from resulting client retention decreases. Likewise, Allstate operates offices throughout the United States, and a weather-related event could cause an office to temporarily shut down, which could lead to operational loss. This is mitigated by the plans Allstate's Business Continuity team has in place in the event that a given office needs to temporarily shut down due to a geographically focused weather-related event.

Time horizon
Short-term

Likelihood
Unlikely

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
166900000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
Breakdown of figure: The average loss of the past three years (2020, 2021 and 2022) for catastrophes is $3.34 billion. Increased operational risk in servicing claims may result in a delay of payments and higher claims payments. The financial impact of $167 million was calculated by assuming that catastrophe losses increase by 5% due to

operational challenges. $3.34 billion * 5% = $167 million.

Cost of response to risk
437000000

Description of response and explanation of cost calculation
Allstate ensures business continuity following a catastrophe through a multifaceted readiness and response strategy. Following a catastrophe, the Allstate Disaster Help Center and Mobile Claims Centers allow claims to be serviced rapidly, online and on the ground. Claims contractors provide additional support during periods of claims staffing shortages, including during natural disasters. Such provisions support disaster-readiness for Allstate's customers, communities, and business operations. A climate-related technological risk to Allstate lies in the processing of claims during severe weather events. To handle claims on-site, Allstate needs reliable, secure, and effective technology. Vulnerabilities such as connectivity issues, security breaches, or access to electricity must be mitigated, so these risks are included in Allstate's risk assessment process to ensure proper business continuity. The Business Continuity Team is in place to ensure that Allstate can continue to operate in the case that a given office location, for example, has to temporarily shut down and/or if employees in a given location are required to temporarily relocate due to a weather-related event. The Business Continuity Team develops plans which are implemented as the need arises. These plans are regularly tested during various business continuity exercises. Allstate deploys significant claims resources preparing for and responding to catastrophes to ensure appropriate claims handling and execution.

Breakdown of figure: The $437M figure represents Allstate's approximate planned unallocated loss adjustment expenses tied to catastrophe losses for 2022.

Comment
For more information, see allstatesustainability.com

Identifier
Risk 4

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Reputation	Shifts in consumer preferences

Primary potential financial impact
Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification
Reputational risk

Company-specific description
Increased scientific and policy research has in turn increased customer awareness of both climate change issues and the capacity of organizations to mitigate climate change-related risks and impacts. This affects Allstate's reputation regarding sustainable operations and products. As a property-casualty insurance company, Allstate seeks to maintain an understanding of climate risks that directly affect both its liability insurance products and its assets, and the company acts to modify those products and protect those assets accordingly to protect its shareholders, customers, and reputation. In doing so, Allstate enhances its reputation and earns support from consumers, which can lead to increased willingness to buy a policy and recommend Allstate to other potential customers.

Time horizon
Medium-term

Likelihood
Very unlikely

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
514120000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
Reputational damage is a significant risk to Allstate. If customers perceive that Allstate is not responding appropriately to climate change risk and they lose confidence in Allstate's management approach, demand for Allstate's products and services could decrease. As a company's reputation decreases, so may corresponding support for the company, including for behaviors with a clear financial impact, such as willingness to buy a policy and recommend Allstate to other potential customers. As a result, there could be a negative impact on revenue in the short and long term. A decrease in the company's reputation may also lead to a decrease in valuation of the company's stock.

Breakdown of figure: Allstate does not have a reliable method for accurately estimating the financial impacts of this risk, but expects that it would affect less than 1% of revenues, which is reflected by the figure in "Potential financial impact." (1% of 2022 revenues of $51,412,000,000)

Cost of response to risk
4000000

Description of response and explanation of cost calculation
Allstate manages reputational risk via multiple channels. These channels include measuring and reporting the company's energy use and greenhouse gas emissions annually and allocating resources to Allstate's reputation management department. For example, Allstate continually seeks stakeholder input to ensure it is focusing on what matters regarding sustainability and corporate responsibility. In 2020, Allstate completed a materiality assessment to identify and prioritize key issues and determined that climate change is a critical topic for both Allstate and its stakeholders. Allstate's ESG Steering Committee meets monthly to review existing and emerging environmental and social issues, identify opportunities and strategies to address these issues, and encourage and enable employee engagement with the company's sustainability strategy. By properly managing the risks our stakeholders care most about, Allstate aims to mitigate potential reputational impacts that may arise.

Breakdown of figure: Allstate's management of reputational risk includes costs devoted to its reporting and disclosure practices, internal resources dedicated to Allstate's reputation management, and costs incurred by the use of external consultants that help the company to analyze gaps in its climate-related assessments. Allstate estimates this cost to be approximately $4M annually for management of ESG activities which includes ESG consulting, advocacy professionals who work with the company on multiple issues at federal and state level, and other professional services.

Comment
For more information, see allstatesustainability.com

Identifier
Risk 5

Where in the value chain does the risk driver occur?
Investing (Asset owner) portfolio

Risk type & Primary climate-related risk driver

Chronic physical	Changing temperature (air, freshwater, marine water)

Primary potential financial impact
Reduced profitability of investment portfolios

Climate risk type mapped to traditional financial services industry risk classification
Market risk

Company-specific description
Climate change presents physical risks to real estate and infrastructure investments, as well as transition risks that impact holdings in certain industries, requiring consideration within investment underwriting and portfolio management activities.

During 2022, Allstate Investments' risk management team led an effort to provide initial insights about the carbon footprint of its investment portfolio ("how we affect the planet") and on the physical and transition risks associated with global warming ("how the planet affects us"). The intent of the exercise was to provide a roadmap for future analysis, to broadly quantify risks where possible, and to combine rudimentary carbon footprint information across broad portfolio categories including capital structure, liquidity, credit quality, and maturities.

The carbon footprint analysis provided input to evaluate issues and tradeoffs as Allstate considered various paths toward net zero. Allstate also identified data gaps and will implement enhanced measurement and evaluation tools during 2023.

For transition risk (framed as "the risk that comes with addressing climate change"), the initial analysis indicated that though coverage is limited, transition risk is unlikely greater than other market "tail risk" estimates. Physical risk (framed as "the risk that comes from not addressing climate change") is likely to be real estate-centric for Allstate's investment portfolio.

Time horizon
Medium-term

Likelihood
Likely

Magnitude of impact
High

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
The impact has not been quantified financially. Allstate continues to enhance tools to better measure and quantify transition risk of its investment portfolio.

Cost of response to risk
350000

Description of response and explanation of cost calculation
Allstate's investment risk management framework helps manage both physical and transition risks. Physical risks for direct real estate are managed through modeling, underwriting and insurance. Investment portfolio exposure to industries with high carbon emissions and transition risks are managed through credit research process, investment limits to ensure diversification, and sufficient liquidity to adjust holdings through time.

Breakdown of figure: The cost of response to risk is calculated based on Allstate Investments' total annual spend on external providers to provide data and analytics to assist with measuring climate risk in our portfolio and enhancing data on its private investments.

Comment
For more information, see allstatesustainability.com

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Opp1

Where in the value chain does the opportunity occur?
Insurance underwriting portfolio

Opportunity type
Products and services

Primary climate-related opportunity driver
Shift in consumer preferences

Primary potential financial impact
Increased revenues through access to new and emerging markets

Company-specific description
Projected electric vehicle (EV) adoption is accelerating with each year. Auto manufacturers are currently planning to transition more of their fleet to attract additional consumers with choices in model and price, creating many new price entry points with familiar brands. Now that a substantial number of EVs are deployed on the road, Allstate is engaged with the Insurance Institute for Highway Data Losses and CCC Information Systems to understand EV claims and claims expenses. Allstate is updating risk analytics to ensure that electric vehicle premiums are calculated using the projected frequency and severity associated with each electric vehicle (inclusive of the safety features available on each vehicle), bringing the pricing sophistication typical of Allstate to EV policyholders as well.

In addition, Allstate is leveraging its broad portfolio of companies, including Allstate Roadside Services and Allstate Protection Services (Allstate's device protection company) to meet the full needs of EV owners.

The impact Allstate hopes to have is to more accurately rate EV owners with their risk and meet their unique, evolving needs.

Time horizon
Medium-term

Likelihood
Very likely

Magnitude of impact
Medium-high

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
32000000

Potential financial impact figure – maximum (currency)
38000000

Explanation of financial impact figure
Breakdown of figure: The US Department of Energy - Alternative Fuels Data Center (as of 2021), the Edison Electric Institute "Electric Vehicle Sales and the Charging Infrastructure Required Through 2030" (June 2022), and internal Allstate data/methods (as of Dec. 2022) were used to project the number of registered EVs by the year 2030. The projections in the states where Allstate anticipates growing electric vehicle customers were multiplied by a range of potential changes to Allstate's market share of the EV insurance market to calculate the number of additional EVs projected to be insured by Allstate in 2030 due to more accurately rating EV owners with their associated risk as well as leveraging the broad portfolio of Allstate companies to meet the full needs of EV owners. Finally, the additional number of EVs was multiplied by Allstate's average yearly profit per vehicle.

Formula: Projected Registered EVs by 2030 * Range of Potential Changes to Allstate's Market Share of the EV Insurance Market * Average Yearly Profit Per Vehicle = Potential Financial Impact

Please note: The financial impact figures calculate additional revenue from capturing a great share of EV insurance customers. They do not consider any declining revenue due to reduced gas-powered vehicles over time.

Cost to realize opportunity
500000

Strategy to realize opportunity and explanation of cost calculation
Our strategy is to understand the full range of concerns that consumers face when considering transitioning to EVs and position Allstate to help consumers through as many of these concerns as Allstate can reasonably address.

Situation: Projected electric vehicle adoption is accelerating with each year. Auto manufacturers are currently planning to transition more of their fleet to attract additional consumers with choices in model and price, creating many new price entry points with familiar brands.

Task: Consumers will face a full range of concerns when considering transitioning to EVs. Allstate's breadth of products and services can help consumers through many of these concerns.

Assessment: Allstate conducted consumer research to build an understanding of these concerns (and how the feelings of early adopters compare to the larger base of consumers that are now considering EV adoption). These concerns include overall cost to insure, range anxiety, battery degradation anxiety, and uncertainty on how to equip their residence with battery charging devices.

Result: Starting in 2022, Allstate began the process of developing a portfolio of products and services that address the most relevant anxieties, thereby helping consumers transition to EV usage.

Breakdown of figure: The cost to realize the opportunity was based on estimated resource capacity needed to design, develop and deliver the portfolio of products and services that address the most relevant EV owner concerns. Employee resources are involved from Product/Service Innovation and Development, Property/Liability Product Management, and Protection Products and Services, dedicating more than 1,000 hours to this work so far. Additionally, resources will be spent on technology changes and effectively bringing any new solutions to market.

Comment
For more information, see allstatesustainability.com

Identifier
Opp2

Where in the value chain does the opportunity occur?
Investing (Asset owner) portfolio

Opportunity type
Markets

Primary climate-related opportunity driver
Enhanced financial performance of investee companies as a result of being able to access new markets and develop new products to meet green consumer demand

Primary potential financial impact
Returns on investment in low-emission technology

Company-specific description
Investing in areas that both generate returns and provide social and environmental impact is not new to Allstate; the company has been doing so for decades. Allstate is a founding member of Impact Community Capital, which will celebrate its 25th anniversary in 2023. More recently, Allstate added investments in climate such as TPG Rise Climate and Little Leaf Farms. As of Dec. 31, 2022, Allstate managed a $61.8 billion investment portfolio, with $7.5 billion in responsible investment categories such as education, sustainability, affordable housing, health care, green bonds, diverse sponsors, natural capital and renewable investments. Allstate integrates ESG considerations within its investment analysis and decision-making processes and has established climate change and Inclusive Diversity and Equity as two pillars important to its investing approach while continuing to meet stockholder needs by having a positive financial impact. Allstate announced a goal in 2021 to expand climate-related investment capabilities and relationships. Allstate achieved this goal, and by year-end 2022, had committed $469 million in climate-related opportunities. The impact Allstate hopes to have is to generate attractive risk-adjusted returns while funding the transition to a lower carbon economy by investing in opportunities that fit two areas: climate mitigation and climate adaptation.

Time horizon
Medium-term

Likelihood
Very likely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
300000000

Potential financial impact figure – maximum (currency)
450000000

Explanation of financial impact figure
Breakdown of figure: Allstate estimates a reasonable return of 4-6% on $7.5B of responsible investments (4% x $7.5B = $300M and 6% x $7.5B = $450M). The return is a reasonable expectation for a diversified portfolio; however, the size of the portfolio may vary over time.

Cost to realize opportunity
350000

Strategy to realize opportunity and explanation of cost calculation
As responsible investors, Allstate considers ESG an essential component of comprehensive investment risk assessment and has developed teams, policies, training and goals to guide its investment decisions accordingly. Allstate continues to increase the percentage of its portfolio allocated to responsible investments, actively evaluate how ESG issues influence investment performance, and pursue strategies that capture additional risk-adjusted return from the transition to a lower-carbon economy.

Situation: Allstate identified that investing in sustainability has the potential to generate attractive risk-adjusted returns given the transition to a lower carbon economy, regulatory support, consumer preferences, capital need and total addressable market. The company has seen an increase in the number of opportunities for sustainable investment through its sourcing channels.

Task: Allstate set a goal to commit $375M in climate-related investments over the course of 2021 and 2022.
Action: Allstate created a climate investment strategy and identified direct investments with attractive return characteristics, alongside strong impact attributes. Allstate focused on partnering with existing managers in its portfolio and identified new strategic partners with the ability to deliver on its dual objective of returns and impact.

Result: Allstate achieved this goal on capital commitment, and by year-end 2022, had committed $469 million in climate-related opportunities and will track the impact that these dollars have. Allstate identified several strategic partners to invest alongside to achieve the current goal. The company’s climate strategy identifies two key areas: climate mitigation and climate adaptation. Allstate’s strategy will be dynamic and evolve over time incorporating current risk-return, market, and regulatory characteristics.

Breakdown of figure: While much of the cost and expertise to realize the opportunity exists within Allstate’s current investment team and structure, as the company looks to expand upon its strategy it may allocate additional resources to supplement its existing team. The current cost to realize opportunity is calculated based on Allstate Investments’ total annual spend on external providers to provide data and analytics to assist with measuring climate risk in its portfolio and enhancing data on its private investments.

Comment
For more information, see allstatesustainability.com

Identifier
Opp3

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Energy source

Primary climate-related opportunity driver
Use of lower-emission sources of energy

Primary potential financial impact
Other, please specify (Reputation impact)

Company-specific description
Allstate's business is affected by the worsening impacts of climate change. Like all businesses, Allstate also contributes to climate change. To mitigate this, Allstate focuses on its operational footprint. The company measures and aims to minimize greenhouse gas (GHG) emissions from the buildings and vehicles it owns or leases, including a number of initiatives such as reduction of office square footage, fleet modifications to Hybrid vehicles, opportunities for buildings to become more energy efficient (indoor lighting retrofits, outdoor lighting retrofits and Uninterruptible Power Supply (UPS) replacements, purchasing of Renewable Energy Credits (REC’s) at its Hudson office and other offices where feasible, the use of Sustainable Aviation Fuel, solar panel installation (Pune, India), K-Cup recycling program and Leadership in Energy and Environmental Design (LEED) certification of office space(s).

In 2022, Allstate announced its commitment to achieve net zero emissions for direct, indirect and value-chain greenhouse gas emissions by 2030.and the company is developing a net zero roadmap in 2023. This implementation roadmap will include setting in 2023 yearly intermediate emissions targets toward achieving net zero by 2030.

Time horizon
Medium-term

Likelihood
Likely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
1000000

Potential financial impact figure – maximum (currency)
5000000

Explanation of financial impact figure
Allstate’s goal is to achieve net zero emissions. Allstate is pursuing numerous alternates to achieve this goal.

Cost to realize opportunity
1000000

Strategy to realize opportunity and explanation of cost calculation
In 2022, Allstate reduced its real estate footprint of owned and leased Allstate and National General facilities from over 9 million square feet to under 7 million square feet. This downsizing of real estate reduces Allstate’s operational energy and water usage, GHG emissions and waste production. Of the office space the company still leases or owns, more than 694,000 square feet was LEED-certified by 2022. Allstate reduced its energy consumption further by recapturing heat energy as a byproduct of its data center operations and using energy-efficient equipment and systems. In 2022, lighting updates in some of Allstate’s remaining facilities saved an additional 211,167 KWH of electricity. In October 2022, the company sold its 232-acre campus in Northbrook, Illinois, which accounted for 2 million square feet of real estate footprint reduction.

Several years ago, the company started to use more hybrid vehicles to improve fuel economy and reduce GHG emissions. Allstate has also reduced the size of its fleet as it relies more on aerial surveys for claims data. Allstate’s goal is to have 100% hybrid vehicles by 2025 and to incorporate electric vehicles thereafter. At the end of 2022, Allstate's legacy fleet was 85% hybrid, and the company's total fleet, which includes Avail and National General vehicles, was 52% hybrid.

Allstate installed solar panels with 40kW of capacity in Pune, India, feeding power to the emergency lighting and critical air conditioning units which are all 24x7 loads. Reduction is estimated at 65,000 KWH/year.

The company’s real estate reductions, reuse and recycling partnerships, and sustainable procurement decisions work together with continued focus on limiting emissions where possible. Until the electrical grids in Allstate’s operating locations fully decarbonize, however, providing power to its facilities will continue to produce GHG emissions. To compensate, Allstate purchased renewable energy credits (RECs). In 2021, Allstate purchased RECs to cover 100% of the 44,319 MWh of electricity use from its Illinois and Texas facilities. This represents 26% of Allstate’s total U.S. electricity use from owned and leased facilities in that year and is equivalent to 20,579 metric tonnes of CO2e emissions.

Other initiatives include reviewing the feasibility of utilizing Sustainable Aviation Fuel, a K-cup recycling program in various locations, and upgrades for efficiency gains.

Comment
For more information, see allstatesustainability.com

C3. Business Strategy

C3.1

(C3.1) Does your organization’s strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan
No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a climate transition plan within two years

Publicly available climate transition plan
<Not Applicable>

Mechanism by which feedback is collected from shareholders on your climate transition plan
<Not Applicable>

Description of feedback mechanism
<Not Applicable>

Frequency of feedback collection
<Not Applicable>

Attach any relevant documents which detail your climate transition plan (optional)
<Not Applicable>

Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future
Managing climate risk is foundational to Allstate’s financial and operational success. In December 2022, Allstate announced its commitment to achieve net zero emissions for its direct, indirect and value-chain greenhouse gas emissions by 2030, other than its investment portfolio and underwriting emissions. By the end of 2025, Allstate will establish a goal for financed emissions. Allstate will continue to evaluate emerging methodologies for emissions associated with underwriting activities that align with Allstate’s business practices and strategy.

Explain why climate-related risks and opportunities have not influenced your strategy
<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative and quantitative	<Not Applicable>	<Not Applicable>

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario		Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios	NGFS scenarios framework	Portfolio	<Not Applicable>	Allstate is leveraging the NGFS Scenario Framework to inform its Climate scenario analysis efforts. Allstate is initially focused on three of the scenarios: Current Policy, Net Zero 2050 and Delayed. Allstate is using these scenarios because they will provide a range of outcomes for the company to evaluate, analyze and incorporate into its holistic strategy. Allstate's Catastrophe Modeling and Analytics Team (CMAT) and Pricing Groups monitor climate change information as part of their analysis of weather-related trends. Allstate captures a distribution of potential scenarios using assumptions calibrated to varying climate change scenarios. Models developed internally and by third-party vendors are used along with Allstate's own historical data in assessing property insurance exposure to catastrophe losses. Internal modeling of external climate scenarios is targeted for 2022/23 and will be coordinated by Enterprise Risk and Return Management (ERRM) across the Allstate organization. Losses and changes in exposure, as well as business continuity, resiliency, and solvency, are projected and analyzed and reported to senior leaders biannually, with additional monitoring provided as needed. Quantitative scenario analysis, using timeframes up to 30 years, explores the impacts of stress events which may include elevated weather catastrophes. This is done, at a minimum, annually during the strategic planning process, which is shared with the Board, and often done more frequently. The CMAT also partners with Allstate's Investment group to model mortgage and real estate portfolios under consideration. Allstate classifies its commercial real estate investments based on their modeled exposure to certain catastrophe risks and incorporates these risks in its underwriting and insurance practices. The portfolio is geographically diversified with modest exposure to coastal properties and areas of California most prone to wildfires due to deliberate underwriting around wildfire, flood and hurricane exposure. Case Study: For the past several years, Allstate has steadily increased agricultural and timber holdings in the investment portfolio, taking both a short- and long-term view when considering the risks inherent in this portfolio, including climate-related risks.
Physical climate scenarios	Bespoke physical scenario	Company-wide	Unknown	Allstate's Business Continuity Management team has business continuity plans for most critical processes at Allstate. Those plans address a variety of scenarios, including loss of facility due to weather-related occurrences. Allstate's business continuity lifecycle involves identifying the most critical processes, developing Business Continuity Plans (BCPs) for them, and then performing exercises for each plan. The lifecycle is performed annually. Dependencies such as vendors, key technology, and other processes are addressed in the plans. The exercise scenarios vary by BCPs and business areas and departments based on their specific greatest risks. Scenarios may include loss of location, personnel, systems/data, and key third parties. Allstate has conducted exercises in the past related to severe weather (hurricane, typhoon, etc.). Each exercise includes an after-action review, and any gaps are documented in Allstate's Archer Issues Management system for remediation in addition to BCPs being updated based on new learnings.
Physical climate scenarios	RCP 4.5	Company-wide	<Not Applicable>	Allstate's Catastrophe Modeling and Analytics Team (CMAT) and Pricing Groups monitor climate change information as part of their analysis of weather-related trends. We capture a distribution of potential scenarios using assumptions calibrated to varying climate change scenarios. Models developed internally and by third-party vendors are used along with our own historical data in assessing property insurance exposure to catastrophe losses. Quantitative scenario analysis, using timeframes up to 30 years, explores the impacts of stress events which may include elevated weather catastrophes.
Physical climate scenarios	RCP 7.0	Company-wide	<Not Applicable>	Allstate's Catastrophe Modeling and Analytics Team (CMAT) and Pricing Groups monitor climate change information as part of their analysis of weather-related trends. We capture a distribution of potential scenarios using assumptions calibrated to varying climate change scenarios. Models developed internally and by third-party vendors are used along with our own historical data in assessing property insurance exposure to catastrophe losses. Quantitative scenario analysis, using timeframes up to 30 years, explores the impacts of stress events which may include elevated weather catastrophes.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

How large are the incremental losses that climate change could potentially drive within Allstate's property insurance lines of business? How to best reflect the near-current climate for ratemaking and capital analysis?

Results of the climate-related scenario analysis with respect to the focal questions

How the results have informed decisions and actions:
Allstate's bespoke scenario and catastrophe models that reflect the current and near-current climate are utilized to develop premiums for hurricane, wildfire, and earthquake risk in Allstate's insurance products, where regulatorily allowed. For hurricanes, where regulatorily allowed, premiums reflect a view of loss potential based on warm sea surface temperatures. These catastrophe models, including the warm sea surface view of hurricane risk, are also used for development of product strategies like in what markets Allstate actively sells policies and what coverage terms are offered. Allstate has a geographically dispersed book of business within the United States, which is subject to, for example, the increased prevalence of wildfire occurrence. These catastrophe models are also used for capital analysis. As described earlier, Allstate uses quantitative scenarios to explore the impacts of stress events which may include elevated weather catastrophes to determine if the company is adequately capitalized. This analysis explores scenario impacts on metrics including, but not limited to, Return on Economic Capital, Net Income, Investment Total Return, Deployable Capital, and Debt-to-Capital ratio. Allstate reviews its capital position and key performance metrics to evaluate what management actions it may implement before, during, and after such events to mitigate financial risk.

Description of the results:
Allstate continues to maintain strong capital and liquidity positions, and assessment of alternative scenarios shows its projected resilience. Allstate's capital foundation enables it to withstand extreme and sequential macro and catastrophe-driven shocks. As capital is deployed and environments change, sufficiency will be proactively monitored.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Allstate seeks to understand climate risks that directly affect both its insurance products and its assets. Allstate modifies those products and protects those assets accordingly, to protect its shareholders, customers and reputation. For example, the company provides the Homeowners Policy Green Improvement Reimbursement Endorsement, which allows a customer to replace covered, damaged, or destroyed equipment with more energy-efficient items. This endorsement includes a provision under which customers are reimbursed the additional cost incurred to replace such appliances. In addition, Allstate offers Milewise, a "pay-per-mile" personal auto insurance product which invites drivers to "Drive Less. Save More," and may decrease total miles driven and result in lower total emissions. Management of the Commercial Real Estate portfolio reflects potential impacts of climate change to commercial real estate investments.
Supply chain and/or value chain	Yes	At Allstate, environmental and social leadership in purchasing decisions helps the company demonstrate Our Shared Purpose. Under the Chief Procurement Officer, the Sustainability Sourcing Lead is dedicated to overseeing Allstate's sustainable procurement strategy that evaluates, tracks, and mitigates ESG risk exposure, increasing visibility and transparency in the supply chain. By understanding how suppliers are managing factors such as GHG emissions, waste, regulatory compliance, and cybersecurity, Allstate can better articulate its expectations. By actively managing these risks, Allstate enhances our reputation and aligns procurement decisions with environmental and social responsibility, which increases the confidence of stakeholders who depend on Allstate's performance.
Investment in R&D	Yes	Allstate's long-term strategy includes investments in technology, data, and analytics to further drive efficiencies in its operations and the products it offers to customers. The transformation of the personal transportation system – brought about by trends in vehicle connectivity, electrification, shared mobility and autonomous driving technologies – will result in tremendous efficiencies and benefits, including environmental. Allstate is pursuing several initiatives to support the transformation of the personal transportation system. Two personal auto insurance products developed by Allstate, Drivewise and Milewise, are changing the landscape of auto insurance and offering customers greater transparency and pricing sophistication, thanks to significant developments in technology, telematics, and data analytics. Allstate has launched Avail, a peer-to-peer car sharing platform that connects drivers and car owners, providing a protected car sharing experience conveniently located where people live, work and travel. Allstate is also supporting the adoption of different transportation modes by providing insurance solutions to ride-hailing providers such as Uber. There have also been investments in data and analytics with the intent of enhanced pricing sophistication. Most recently, this has included a partnership with ZestyAI for the evaluation of wildfire risk.
Operations	Yes	Allstate seeks to maintain an understanding of climate risks that directly affect its insurance products, assets and investment portfolio, and to adjust its strategy and risk profile accordingly to protect shareholders, customers, and our reputation. Specifically, weather and natural catastrophe loss volatility and other climate impacts are factored into the Enterprise Risk and Return Council (ERRC)'s approved risk limits and growth strategies, which are reviewed with the Board. Allstate's business objectives and strategy are then informed by identified risks, as applicable. Allstate has also built out its operational risk and return framework to ensure preparedness for operational responses and losses related to climate change impacts. Additionally, Allstate is conscious of the environmental footprint of its operations and continuously strives to decrease its impact. Efforts include reducing companywide paper use and helping customers do the same, as well as promoting recycling and energy reduction efforts at Allstate facilities.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Indirect costs Capital expenditures Capital allocation Acquisitions and divestments Access to capital Assets Liabilities Provisions or general reserves Claims reserves	Climate-related risks and opportunities factor into Allstate's financial planning process for the elements listed. Revenues: The insurance industry is exposed to climate-related risks, such as catastrophes and severe weather events, which may subject Allstate's P&C business to significant losses. These risks could impact Allstate's revenues in a variety of ways. For example, homeowners premium growth rates and retention could be adversely impacted by adjustments to Allstate's business structure, size and underwriting practices in markets with significant severe weather and catastrophe risk exposure. Allstate expects the overall magnitude of this impact to be medium. The time horizon for climate-related revenue risks is long-term (7-30 years, as defined in 2.1a of this CDP report). Liabilities: Increases in frequency or severity of natural catastrophes have a direct impact on Allstate's insurance liabilities. For example, there may be increased frequency or intensity of storms, tornadoes, and hurricanes, as well as wildfires and flooding in various geographic areas. Additionally, there may be impacts on the demand, price and availability of automobile and homeowners insurance, reinsurance coverages, as well as the value of Allstate's investment portfolio. Due to significant variability associated with future changing climate conditions, the company is unable to predict the impact climate change will have on its business. The time horizon for climate-related liability risks is long-term (7-30 years, as defined in 2.1a of this CDP report). Case Study: Impacts of rising sea levels, increased flooding, and hurricane exposure on Florida real estate, and potential impacts factored into planning A. Expected impacts of increasing temperatures by 2050: 1) Hurricanes – Lower frequency but increasing severity. Average loss is similar with increased volatility. 2) Flooding – increased precipitation and sea levels, more storm surges with hurricane events, more localized '100-year' floods. B. Evaluation of potential risks within the social/economic system: 1) Allstate has direct exposure to hurricanes through our products. 2) Some risk is mitigated by passing it to reinsurers. The Florida Hurricane Cat Fund (FHCF) and other state-specific wind pools expose us to some credit risk and assessment exposures. 3) Flood exposure is covered by the National Flood Insurance Program (NFIP), for which we administer claims. 4) Poor customer experience with NFIP can expose us to reputational risk. 5) Increasing costs of direct damage coverage suppress existing property values. 6) May lead to secondary exposure in certain assets, such as State/Municipal debt. The time horizon for these climate-related revenue risks is long-term (7-30 years, as defined in 2.1a of this CDP report).

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	No, but we plan to in the next two years	<Not Applicable>

C-FS3.6

(C-FS3.6) Does the policy framework for your portfolio activities include climate-related requirements for clients/investees, and/or exclusion policies?

	Policy framework for portfolio activities that include climate-related requirements for clients/investees, and/or exclusion policies	Explain why the policy framework for your portfolio activities do not include climate-related requirements for clients/investees, and/or exclusion policies
Row 1	Yes, our framework includes both policies with climate-related client/investee requirements and climate-related exclusion policies	<Not Applicable>

C-FS3.6a

(C-FS3.6a) Provide details of the policies which include climate-related requirements that clients/investees need to meet.

Portfolio
Insurance underwriting (Insurance company)

Type of policy
Risk policy
Insurance underwriting policy

Portfolio coverage of policy
100

Policy availability
Not publicly available

Attach documents relevant to your policy
https://www.allstateinvestors.com/static-files/e16e5a33-abc6-4544-b486-df19cbaf3db4
Allstate Reinsurance Update - Fourth Quarter 2022.pdf

Criteria required of clients/investees
Other, please specify (Proof of mitigation in wildfire areas)

Value chain stages of client/investee covered by criteria
Direct operations only

Timeframe for compliance with policy criteria
No timeframe

Industry sectors covered by the policy
Commercial & Professional Services

Exceptions to policy based on
<Not Applicable>

Explain how criteria required, criteria coverage and/or exceptions have been determined
Allstate works to understand climate risks that affect its insurance products and assets. Allstate's Catastrophe Modeling and Analytics Team and pricing groups monitor climate change information and update leadership regularly. Allstate manages climate-related risks and opportunities within its Enterprise Risk and Return Management (ERRM) framework, which applies risk-return principles, governance, modeling and analytics, while maintaining Allstate's strong foundation of financial strength, building strategic value, and optimizing return per unit of risk. Climate-related risks are identified, measured, managed, monitored and reported while focusing on insurability, underwriting and investments. Allstate has been able to adapt to increased catastrophe risk through actions that include:

1) Purchasing multi-year reinsurance protection as well as aggregate coverage, giving Allstate protection in years with extreme losses across multiple risk types;

2) Limiting new business for our personal lines auto and property insurance in areas most exposed to hurricanes, including coastal areas in Southern and Eastern states;

3) Implementing Tropical Cyclone and/or Wind/Hail deductibles or exclusions where appropriate.
Please see our 10K and Reinsurance Update (attached) for more details.

C-FS3.6b

(C-FS3.6b) Provide details of your exclusion policies related to industries and/or activities exposed or contributing to climate-related risks.

Portfolio
Investing (Asset owner)

Type of exclusion policy
Coal mining

Year of exclusion implementation
2015

Timeframe for complete phase-out
Already phased out

Application
New business/investment for new projects

Country/Area/Region the exclusion policy applies to
Other, please specify (The described exclusion (majority coal) does not remove any countries from the exclusion policy – all countries are subject to it.) All countries are subject to the policy)

Description
Allstate Investments maintains investment guidelines that define prohibited types of investments, which are typically entities whose activities are fundamentally inconsistent with Allstate's values or are likely to result in reputational or other significant risks. These prohibitions include investments in companies that predominantly conduct business in the civilian firearms industry, or majority ownership interest or control of a company that operates a coal or other mine (either directly or through a subsidiary) or provides services to those mines.

C-FS3.7

(C-FS3.7) Does your organization include climate-related requirements in your selection process and engagement with external asset managers?

	Climate-related requirements included in selection process and engagement with external asset managers	Primary reason for not including climate-related requirements in selection process and engagement with external asset managers	Explain why climate-related requirements are not included in selection process and engagement with external asset managers and your plans for the future
Row 1	Yes	<Not Applicable>	<Not Applicable>

C-FS3.7a

(C-FS3.7a) Provide details of the climate-related requirements included in your selection process and engagement with external asset managers.

Coverage
Minority of assets managed externally

Mechanisms used to include climate-related requirements in external asset manager selection
Include climate-related requirements in investment mandates
Preference for investment managers with an offering of funds resilient to climate change
Review investment manager's climate-related policies
Use of external data on investment managers regarding climate risk management

Describe how you monitor and engage with asset managers to ensure investment activities are consistent with your climate strategy
Allstate has created a dedicated impact portfolio to invest alongside two key pillars: inclusive diversity and equity and climate change. For those investments in the climate change area, Allstate is working with external managers to understand emissions of portfolio companies, beginning with Scope 1 & 2 emissions, to establish an appropriate baseline, after which the company can determine how to monitor and measure changes over time. Understanding their existing measurement process is a focus of due diligence. Allstate will also evaluate other relevant key performance indicators (KPIs) that will help it measure the impact its investments will have. In Allstate's broader portfolio, Allstate asks external managers, especially in higher emitting sectors, about climate and consider their response as part of investment diligence. However, there is no specific requirement at this time.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?
No target

C4.1c

(C4.1c) Explain why you did not have an emissions target, and forecast how your emissions will change over the next five years.

	Primary reason	Five-year forecast	Please explain
Row 1	We are planning to introduce a target in the next two years	Allstate plans to increase data quality and comprehensiveness to re-establish a more accurate and representative baseline while simultaneously setting absolute and/or intensity emissions-reduction targets that will allow the company to meet its 2030 Net Zero Goal that was established at the end of 2022. Actual scope 1 and 2 emissions are projected to decline by an estimated 10-15% of base year emissions per year as Allstate accelerates its emission reduction programs. Actual scope 3 emissions are expected to decline at a slightly slower rate (6-10%) due to return to post-pandemic working conditions and the service-based nature of Allstate's business model.	Allstate did not have an emissions target in 2022 as we focused on developing a foundational climate policy aligned with a new Net Zero goal that will have intermediate emissions targets in the future. Allstate announced a Net Zero by 2030 goal at the end of 2022 and has already begun developing a Net Zero roadmap in 2023, that will set near-term targets and help Allstate prioritize emissions reduction initiatives. This implementation roadmap will include setting annual intermediate emissions targets toward achieving Net Zero by 2030. Allstate will begin reporting these yearly emissions targets in next year's CDP response. Refer to Allstate's Net Zero announcement for additional context about its decarbonization plans and ambition.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Net-zero target(s)

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number

NZ1

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Not applicable

Target year for achieving net zero

2030

Is this a science-based target?

Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

Please explain target coverage and identify any exclusions

Reduce direct, indirect and value-chain greenhouse gas emissions by reducing office square footage, purchasing renewable energy where possible, working to reduce emissions of suppliers and removing the impact of remaining real estate through the limited purchase of credible carbon offsets where available.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?

Yes

Planned milestones and/or near-term investments for neutralization at target year

Allstate is already closing offices and pursuing green building improvements where available. Allstate's responsible investing strategy already includes a dedicated impact portfolio that supports climate change mitigation and adaptation, targeting at least $375 million in climate-related commitments between 2021 and 2022.

Planned actions to mitigate emissions beyond your value chain (optional)

Yes, Allstate has begun investigating additional actions and initiatives it can take to further reduce negative impacts, such as impacts and influences on biodiversity, data quality improvements and processes.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	2	170
To be implemented*	3	7464
Implementation commenced*	0	0
Implemented*	4	159
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting

Estimated annual CO2e savings (metric tonnes CO2e)
55

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
10000

Investment required (unit currency – as specified in C0.4)
700000

Payback period
No payback

Estimated lifetime of the initiative
6-10 years

Comment
Hudson Site Lighting – Retrofitted HID lighting with LED lighting.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting

Estimated annual CO2e savings (metric tonnes CO2e)
50

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
69000

Investment required (unit currency – as specified in C0.4)
400000

Payback period
4-10 years

Estimated lifetime of the initiative
6-10 years

Comment
West Plaza Lighting – Replaced fluorescent lighting with LED lighting.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting

Estimated annual CO2e savings (metric tonnes CO2e)
4

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
500

Investment required (unit currency – as specified in C0.4)
12000

Payback period
21-25 years

Estimated lifetime of the initiative
6-10 years

Comment
Garden City Legal Office - Retrofitted existing fluorescent lighting with LED lighting

Initiative category & Initiative type

Low-carbon energy generation	Solar PV

Estimated annual CO2e savings (metric tonnes CO2e)
50

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
20000

Investment required (unit currency – as specified in C0.4)
250000

Payback period
11-15 years

Estimated lifetime of the initiative
11-15 years

Comment
Installed solar panels at Pune, India office. Feeds power to the emergency lighting and critical air conditioning units which are all 24x7 loads.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for other emissions reduction activities	Allstate's priority in terms of GHG emissions is to prevent them from happening. Allstate's real estate reductions, reuse and recycling partnerships, and sustainable procurement decisions work together with continued focus on limiting its emissions where possible. Until the electrical grids in Allstate operating locations fully decarbonize, however, providing power to its facilities will continue to produce GHG emissions. To compensate, the company purchases renewable energy credits (RECs). In 2021, Allstate purchased RECs to cover 100% of the 44,319 MWh of electricity use from its Illinois and Texas facilities. This represents 26% of Allstate's total U.S. electricity use from owned and leased facilities in that year and is equivalent to 20,579 metric tonnes of CO2e emissions. In 2023 Allstate is expanding this to cover 100% of electricity in its Hudson, OH facilities.
Other (Customer engagement)	Allstate encourages electronic customer communications to help cut costs and reduce the company's footprint and theirs. Allstate has invested $12.5 million in improving customers' digital, paperless experience since 2015. The company's eDelivery and Document Management teams offer three paperless initiatives: eSignature, ePolicy and eBill. Customers are prompted to use Allstate's online self-service hub to sign up for these free services, and these programs were highly utilized in 2022.

C-FS4.5

(C-FS4.5) Do any of your existing products and services enable clients to mitigate and/or adapt to the effects of climate change?
Yes

C-FS4.5a

(C-FS4.5a) Provide details of your existing products and services that enable clients to mitigate and/or adapt to climate change, including any taxonomy used to classify the products(s).

Product type/Asset class/Line of business

Insurance	Property & Casualty

Taxonomy or methodology used to classify product
Internally classified

Description of product
Allstate offers policyholders the Homeowners Policy Green Improvement Reimbursement Endorsement. If purchased, it allows a customer to replace damaged or destroyed appliances and equipment with more energy-efficient items and be reimbursed by Allstate for the additional cost. The reimbursement applies to certain categories of Energy Star®-rated products such as: washers and refrigerators, computers and other electronics, heating and cooling equipment, and certain plumbing and building equipment. These products are designed to save electricity or water, reducing a home's environmental impact while lowering homeowners' utility bills. The Homeowners Policy Green Improvement Reimbursement Endorsement is available in most states.

Product enables clients to mitigate and/or adapt to climate change
Mitigation

Portfolio value (unit currency – as specified in C0.4)

% of total portfolio value

Type of activity financed/insured or provided
Green buildings and equipment

Product type/Asset class/Line of business

Insurance	Property & Casualty

Taxonomy or methodology used to classify product
Internally classified

Description of product
National General, an Allstate company, offers Green Upgrade options such as the Restore with Sustainable Materials benefit. Restore with Sustainable Materials allows customers to get up to $50,000 coverage to rebuild with environmentally-friendly material. This benefit incentivizes customers to choose sustainable materials that may help them adapt to, and mitigate, climate change while also supporting the transition to a low carbon economy.

Product enables clients to mitigate and/or adapt to climate change
Mitigation
Adaptation

Portfolio value (unit currency – as specified in C0.4)

% of total portfolio value

Type of activity financed/insured or provided
Green buildings and equipment
Renewable energy
Fortified buildings

Product type/Asset class/Line of business

Insurance	Motor

Taxonomy or methodology used to classify product
Internally classified

Description of product
Pay-per-mile coverage is auto insurance based primarily on the miles a customer drives. Consumers want personalized products and services that give them more control over cost and usage, and Allstate is staying on top of this trend. Milewise incentivizes customers to drive less (and subsequently emit less CO2) by providing real-time savings to those customers. The less you drive, the less you pay because customers of this product pay only for the miles they drive. Milewise, Allstate's pay-per-mile auto insurance, is available in 22 states and gives customers the same great coverage and claim service from Allstate. The number of vehicles that are written under our Milewise product increased by about 30% in 2022. Allstate ended 2022 with around 350,000 vehicles enrolled in the Milewise product.
Please note: the portfolio percentage is based on the number of vehicles with the Milewise Product and the total standard auto Allstate vehicles countrywide.

Product enables clients to mitigate and/or adapt to climate change
Mitigation

Portfolio value (unit currency – as specified in C0.4)

% of total portfolio value
2

Type of activity financed/insured or provided
Low-emission transport

Product type/Asset class/Line of business

Insurance	Motor

Taxonomy or methodology used to classify product
Internally classified

Description of product
Using telematics, the science of collecting data through sensors in a vehicle, Allstate has redefined insurance. Allstate's Drivewise product personalizes the auto experience and provides customers insights into their behavior to promote and reward safe driving. Drivewise is available in 50 states and the District of Columbia. Allstate was the first major U.S. insurer to bring to market a mobile app to collect data for a telematics-based insurance program. As of Dec. 31, 2022, Allstate had over 1.79 million Drivewise connections. Drivewise incentivizes customers to drive more safely (and subsequently more slowly, emitting less CO2) by providing real-time savings to those customers. The more safely you drive, the less you pay, and the lower the carbon impacts due to greater mileage efficiency.

Product enables clients to mitigate and/or adapt to climate change
Mitigation

Portfolio value (unit currency – as specified in C0.4)

% of total portfolio value

Type of activity financed/insured or provided
Low-emission transport

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

Yes, an acquisition

Name of organization(s) acquired, divested from, or merged with

National General, Safe Auto

Details of structural change(s), including completion dates

Allstate completed the acquisition of National General on January 4, 2021. On October 1, 2021, Allstate completed the acquisition of Safe Auto Insurance Group, Inc., a non-standard auto insurance carrier that has since been integrated into National General.

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	Yes, a change in methodology	New data availability from the reporting year prompted the development of improved methodologies for the calculation of this year's emissions.

C5.1c

(C5.1c) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in C5.1a and/or C5.1b?

	Base year recalculation	Scope(s) recalculated	Base year emissions recalculation policy, including significance threshold	Past years' recalculation
Row 1	No, because the impact does not meet our significance threshold	<Not Applicable>	Allstate has changed its base year to 2022 this reporting cycle because new data availability and improved methodologies make this the most accurate and relevant inventory from which to set targets in the future. The base year inventory will be adjusted in response to any structural or methodology changes, if the resulting adjustment is more than 1% of base year values. Adjustments less than this threshold are considered insignificant and will be decided case by case.	No

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1 2022

Base year end

December 31 2022

Base year emissions (metric tons CO2e)

38610

Comment

For more information, see allstatesustainability.com

Scope 2 (location-based)

Base year start
January 1 2022

Base year end
December 31 2022

Base year emissions (metric tons CO2e)
70674

Comment
For more information, see allstatesustainability.com

Scope 2 (market-based)

Base year start
January 1 2022

Base year end
December 31 2022

Base year emissions (metric tons CO2e)
54911

Comment
For more information, see allstatesustainability.com

Scope 3 category 1: Purchased goods and services

Base year start
January 1 2022

Base year end
December 31 2022

Base year emissions (metric tons CO2e)
444869

Comment
For more information, see allstatesustainability.com

Scope 3 category 2: Capital goods

Base year start
January 1 2022

Base year end
December 31 2022

Base year emissions (metric tons CO2e)
24780

Comment
For more information, see allstatesustainability.com

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start
January 1 2022

Base year end
December 31 2022

Base year emissions (metric tons CO2e)
30465

Comment
For more information, see allstatesustainability.com

Scope 3 category 4: Upstream transportation and distribution

Base year start
January 1 2022

Base year end
December 31 2022

Base year emissions (metric tons CO2e)
13869

Comment
For more information, see allstatesustainability.com

Scope 3 category 5: Waste generated in operations

Base year start
January 1 2022

Base year end
December 31 2022

Base year emissions (metric tons CO2e)
1625

Comment
For more information, see allstatesustainability.com

Scope 3 category 6: Business travel

Base year start
January 1 2022

Base year end
December 31 2022

Base year emissions (metric tons CO2e)
9119

Comment
For more information, see allstatesustainability.com

Scope 3 category 7: Employee commuting

Base year start
January 1 2022

Base year end
December 31 2022

Base year emissions (metric tons CO2e)
13198

Comment
For more information, see allstatesustainability.com

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 11: Use of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 13: Downstream leased assets

Base year start
January 1 2022

Base year end
December 31 2022

Base year emissions (metric tons CO2e)
4544

Comment
For more information, see allstatesustainability.com

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.
ISO 14064-1
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
The Greenhouse Gas Protocol: Scope 2 Guidance
The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
38610

Start date
January 1 2022

End date
December 31 2022

Comment
For more information, see allstatesustainability.com

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)
20932

Start date
January 1 2021

End date
December 31 2021

Comment
For more information, see allstatesustainability.com

Past year 2

Gross global Scope 1 emissions (metric tons CO2e)
20849

Start date
January 1 2020

End date
December 31 2020

Comment
For more information, see allstatesustainability.com

Past year 3

Gross global Scope 1 emissions (metric tons CO2e)
39230

Start date
January 1 2019

End date
December 31 2019

Comment
For more information, see allstatesustainability.com

Past year 4

Gross global Scope 1 emissions (metric tons CO2e)
45966

Start date
January 1 2018

End date
December 31 2018

Comment
For more information, see allstatesustainability.com

Past year 5

Gross global Scope 1 emissions (metric tons CO2e)
53818

Start date
January 1 2017

End date
December 31 2017

Comment
For more information, see allstatesustainability.com

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based
We are reporting a Scope 2, location-based figure

Scope 2, market-based
We are reporting a Scope 2, market-based figure

Comment
For more information, see allstatesustainability.com

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based
70674

Scope 2, market-based (if applicable)
54911

Start date
January 1 2022

End date
December 31 2022

Comment
For more information, see allstatesustainability.com

Past year 1

Scope 2, location-based
69332

Scope 2, market-based (if applicable)
54543

Start date
January 1 2021

End date
December 31 2021

Comment
For more information, see allstatesustainability.com

Past year 2

Scope 2, location-based
77818

Scope 2, market-based (if applicable)
59274

Start date
January 1 2020

End date
December 31 2020

Comment
For more information, see allstatesustainability.com

Past year 3

Scope 2, location-based
86863

Scope 2, market-based (if applicable)
74230

Start date
January 1 2019

End date
December 31 2019

Comment
For more information, see allstatesustainability.com

Past year 4

Scope 2, location-based
82887

Scope 2, market-based (if applicable)
76636

Start date
January 1 2018

End date
December 31 2018

Comment
For more information, see allstatesustainability.com

Past year 5

Scope 2, location-based
91209

Scope 2, market-based (if applicable)
96214

Start date
January 1 2017

End date
December 31 2017

Comment
For more information, see allstatesustainability.com

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?
Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source of excluded emissions
SquareTrade Europe

Scope(s) or Scope 3 category(ies)
Scope 1
Scope 2 (location-based)
Scope 2 (market-based)
Scope 3: Purchased goods and services
Scope 3: Capital goods
Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
Scope 3: Upstream transportation and distribution
Scope 3: Waste generated in operations
Scope 3: Business travel
Scope 3: Employee commuting
Scope 3: Downstream leased assets

Relevance of Scope 1 emissions from this source
Emissions excluded due to a recent acquisition or merger

Relevance of location-based Scope 2 emissions from this source
Emissions excluded due to a recent acquisition or merger

Relevance of market-based Scope 2 emissions from this source
Emissions excluded due to a recent acquisition or merger

Relevance of Scope 3 emissions from this source
Emissions excluded due to a recent acquisition or merger

Date of completion of acquisition or merger
January 4 2017

Estimated percentage of total Scope 1+2 emissions this excluded source represents
<Not Applicable>

Estimated percentage of total Scope 3 emissions this excluded source represents
<Not Applicable>

Explain why this source is excluded
The SquareTrade branch based in the United Kingdom is not fully integrated into Allstate Corporation. SquareTrade is beginning their sustainability journey this year (2023) and plans to integrate with Allstate Corporation in future reporting years.

Explain how you estimated the percentage of emissions this excluded source represents
<Not Applicable>

Source of excluded emissions
Scope 3 Category 8

Scope(s) or Scope 3 category(ies)
Scope 3: Upstream leased assets

Relevance of Scope 1 emissions from this source
<Not Applicable>

Relevance of location-based Scope 2 emissions from this source
<Not Applicable>

Relevance of market-based Scope 2 emissions from this source
<Not Applicable>

Relevance of Scope 3 emissions from this source
Emissions are relevant but not yet calculated

Date of completion of acquisition or merger
<Not Applicable>

Estimated percentage of total Scope 1+2 emissions this excluded source represents
<Not Applicable>

Estimated percentage of total Scope 3 emissions this excluded source represents
10

Explain why this source is excluded
This category is excluded due to lack of data available.

Explain how you estimated the percentage of emissions this excluded source represents
Due to the nature of Allstate Corporation operations, upstream leased assets are anticipated to be minimal and most likely currently included in scope 1 and 2.

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
444869

Emissions calculation methodology
Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Emissions from purchased goods and services are estimated using EEIO commodity category emission factors in spend-based calculations.

Capital goods

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
24780

Emissions calculation methodology
Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Emissions from capital goods are estimated using EEIO commodity category emission factors in spend-based calculations.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
30465

Emissions calculation methodology
Average product method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Emissions were calculated for upstream fuel-and-energy-related activities not included in Scope 1 or 2, using US EPA emission factors for upstream well-to-tank and transmission and distribution losses.

Upstream transportation and distribution

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
13869

Emissions calculation methodology
Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Emissions were calculated for upstream fuel-and-energy-related activities not included in Scope 1 or 2, using US EPA emission factors for upstream well-to-tank and transmission and distribution losses.

Waste generated in operations

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
1625

Emissions calculation methodology
Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Emissions from waste are estimated based on days employees are in office. Office days are estimated as part of category 7 and used to estimate office waste consumption.

Business travel

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
9119

Emissions calculation methodology
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
83

Please explain
Commercial air travel fuel and mileage, hotel stays, and rental car fuel and mileage are provided by respective suppliers and used to calculate emissions where emissions are not provided by the supplier. Expensed travel in personal vehicles is provided from an internal database and added to business travel calculations.

Employee commuting

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
13198

Emissions calculation methodology
Hybrid method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Emissions from commuting are estimated based on total employees recorded in different countries and regions, assumed commute rates, average % commutes by mode, number of trips, estimated commute distance and total commute days per year. Work from home emissions are also included and estimated based on average energy consumption per household member per year.

Upstream leased assets

Evaluation status
Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Presently, all known leased assets are included as part of reported scope 1 and 2 emissions. Allstate will re-evaluate this category next year.

Downstream transportation and distribution

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
This category is not relevant to Allstate since the company does not sell, and therefore does not transport or distribute, any physical products.

Processing of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
This category is not relevant to Allstate since the company does not sell any physical products.

Use of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
This category is not relevant to Allstate since the company does not sell any physical products.

End of life treatment of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
This category is not relevant to Allstate since the company does not sell any physical products.

Downstream leased assets

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
4544

Emissions calculation methodology
Site-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
This category includes emissions from the operation of assets that are owned by the reporting company (acting as lessor) and (sub)leased to other entities in the reporting year that are not already included in scope 1 or scope 2.

Franchises

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Allstate does not operate any franchises.

Other (upstream)

Evaluation status
Please select

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain

Other (downstream)

Evaluation status

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date
January 1 2021

End date
December 31 2021

Scope 3: Purchased goods and services (metric tons CO2e)
405075

Scope 3: Capital goods (metric tons CO2e)
10103

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
16573

Scope 3: Upstream transportation and distribution (metric tons CO2e)
29947

Scope 3: Waste generated in operations (metric tons CO2e)
59

Scope 3: Business travel (metric tons CO2e)
6990

Scope 3: Employee commuting (metric tons CO2e)
54566

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)
<Not Applicable>

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment
See Allstate's 2022 CDP Response question 6.5

Past year 2

Start date
January 1 2020

End date
December 31 2020

Scope 3: Purchased goods and services (metric tons CO2e)
348769

Scope 3: Capital goods (metric tons CO2e)
21736

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
21058

Scope 3: Upstream transportation and distribution (metric tons CO2e)
12351

Scope 3: Waste generated in operations (metric tons CO2e)
3.77

Scope 3: Business travel (metric tons CO2e)
7823

Scope 3: Employee commuting (metric tons CO2e)
82932

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)
<Not Applicable>

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment
See Allstate's 2021 CDP Response question 6.5

Past year 3

Start date
January 1 2019

End date
December 31 2019

Scope 3: Purchased goods and services (metric tons CO2e)
10528

Scope 3: Capital goods (metric tons CO2e)
0

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
4343

Scope 3: Upstream transportation and distribution (metric tons CO2e)
3

Scope 3: Waste generated in operations (metric tons CO2e)
446

Scope 3: Business travel (metric tons CO2e)
8857

Scope 3: Employee commuting (metric tons CO2e)
17860

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)
<Not Applicable>

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment
See Allstate's 2020 CDP Response question 6.5

Past year 4

Start date
January 1 2018

End date
December 31 2018

Scope 3: Purchased goods and services (metric tons CO2e)
10675

Scope 3: Capital goods (metric tons CO2e)
0

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
4144

Scope 3: Upstream transportation and distribution (metric tons CO2e)
3

Scope 3: Waste generated in operations (metric tons CO2e)
336

Scope 3: Business travel (metric tons CO2e)
13264

Scope 3: Employee commuting (metric tons CO2e)
17860

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)
<Not Applicable>

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment
See Allstate's 2019 CDP Response question 6.5

Past year 5

Start date
January 1 2017

End date
December 31 2017

Scope 3: Purchased goods and services (metric tons CO2e)
1854

Scope 3: Capital goods (metric tons CO2e)
4279

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
4506

Scope 3: Upstream transportation and distribution (metric tons CO2e)
3

Scope 3: Waste generated in operations (metric tons CO2e)
528

Scope 3: Business travel (metric tons CO2e)
20119

Scope 3: Employee commuting (metric tons CO2e)
16969

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)
<Not Applicable>

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment
See Allstate's 2018 CDP Response question 6.5

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure
0.000002126

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
109284

Metric denominator
unit total revenue

Metric denominator: Unit total
51412000000

Scope 2 figure used
Location-based

% change from previous year
42

Direction of change
Increased

Reason(s) for change
Acquisitions
Change in methodology

Please explain
Scope 1 and 2 location-based emissions per unit total revenue increased by 42% from 0.0000014920 in 2021. This increase is likely due to a disproportionately large increase in data quality compared to increase in revenue.

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?
Yes

C7.7a

(C7.7a) Break down your gross Scope 1 and Scope 2 emissions by subsidiary.

Subsidiary name
National General

Primary activity
Insurance

Select the unique identifier(s) you are able to provide for this subsidiary
Please select

ISIN code – bond
<Not Applicable>

ISIN code – equity
<Not Applicable>

CUSIP number
<Not Applicable>

Ticker symbol
<Not Applicable>

SEDOL code
<Not Applicable>

LEI number
<Not Applicable>

Other unique identifier
<Not Applicable>

Scope 1 emissions (metric tons CO2e)
2095

Scope 2, location-based emissions (metric tons CO2e)
15491

Scope 2, market-based emissions (metric tons CO2e)
15491

Comment
For more information, see allstatesustainability.com

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?
Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<Not Applicable>		
Other emissions reduction activities		<Not Applicable>		
Divestment		<Not Applicable>		
Acquisitions	17586	Increased	19	Total scope 1 and scope 2 location-based emissions in 2022 for recently acquired subsidiary National General, which was included for the first time in the 2022 GHG inventory: 2,095 mt CO2e + 15,491 mt CO2e = 17,586 mt CO2e. This was divided by total scope 1 and scope 2 location-based emissions for Allstate in 2021: 17,586 mt CO2e / (20,932 mt CO2e + 69,332 mt CO2e) = 19%.
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology	19020	Increased	18	Updated methodology due to improved data for more precise emissions calculations. The residual increase in scope 1 and scope 2 location-based emissions between 2021 and 2022, after changes due to renewable energy consumption, acquisition, and physical operating conditions were accounted for, was attributed to methodology changes. Total change in scope 1 + scope 2 location-based emissions from 2021 to 2022: (38,610 mt CO2e + 70,674 mt CO2e) - (40,027 mt CO2e + 66,373 mt CO2e) = 19,020 mt CO2e. That total change in scope 1 + scope 2 location-based emissions from 2021 to 2022, less the increase from acquisition and the decrease from changes to physical operating conditions: 19,020 mt CO2e – 17,586 mt CO2e – -20,761 mt CO2e = 19,327 mt CO2e. Percent change: 19,327 mt CO2e / (38,610 mt CO2e + 70,674 mt CO2e) = 18% increase.
Change in boundary		<Not Applicable>		
Change in physical operating conditions	25135	Decreased	23	Allstate closed 23% of square footage in 2022. This percentage was applied to the total scope 1 and scope 2 location-based emissions calculated in 2021: 23% * (38,610 mt CO2e +70,674 mt CO2e) = 25,135 mt CO2e.
Unidentified		<Not Applicable>		
Other		<Not Applicable>		

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

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

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	83613	83613
Consumption of purchased or acquired electricity	<Not Applicable>	0	156539.99	156539.99
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	0	20869.76	20869.76
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>	0	346473.76	346473.76

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area
United States of America

Consumption of purchased electricity (MWh)
139828

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
20870

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
160698

Country/area
Mexico

Consumption of purchased electricity (MWh)
2602

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
2602

Country/area
India

Consumption of purchased electricity (MWh)
5795

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
5795

Country/area

United Kingdom of Great Britain and Northern Ireland

Consumption of purchased electricity (MWh)
2039

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
2039

Country/area
Canada

Consumption of purchased electricity (MWh)
5852

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
5852

Country/area
Bermuda

Consumption of purchased electricity (MWh)
20

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
20

Country/area
Japan

Consumption of purchased electricity (MWh)
399

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
399

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description
Other, please specify (0)

Metric value
0

Metric numerator
0

Metric denominator (intensity metric only)
0

% change from previous year
0

Direction of change
No change

Please explain
For more information, see allstatesustainability.com

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
CDP Verification Statement 2022 Allstate-Final.pdf

Page/ section reference
1-2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach
Scope 2 location-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
CDP Verification Statement 2022 Allstate-Final.pdf

Page/ section reference
1-2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

Scope 2 approach
Scope 2 market-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
CDP Verification Statement 2022 Allstate-Final.pdf

Page/ section reference
1-2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category
Scope 3: Business travel

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
CDP Verification Statement 2022 Allstate-Final.pdf

Page/section reference
1-2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?
Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C5. Emissions performance	Year on year change in emissions (Scope 1)	ISO 14064-3	Allstate has elected to also have our Scope 1 year on year change in emissions verified so that the company can make comparisons used for identifying increases or decreases in emissions, and progress towards its goals. It is also used for verification purposes. These additional data points are verified on an annual basis, and for Scope 1 includes 100% of our operations. The Scope 1 emissions are reported in question C6.1 and included in the year on year change in Scope 1 and 2 combined in question C7.9a.
C5. Emissions performance	Year on year change in emissions (Scope 2)	ISO 14064-3	We have elected to also have our Scope 2 year on year change in emissions verified so that we can make comparisons used for identifying increases or decreases in emissions, and progress towards our goals. It is also used for verification purposes. These additional data points are verified on an annual basis, and for Scope 2 includes 100% of our operations.
C5. Emissions performance	Year on year change in emissions (Scope 1 and 2)	ISO 14064-3	Allstate has elected to also have its Scope 1 and 2 year on year change in emissions verified so that the company can make comparisons used for identifying increases or decreases in emissions, and progress towards its goals. It is also used for verification purposes. The Scope 1 and 2 emissions are reported in questions C6.1 and Scope 1 and 2 includes 100% of our operations. The assurance statement referencing these data points is attached.
C5. Emissions performance	Year on year change in emissions (Scope 3)	ISO 14064-3	Allstate has elected to also have its Scope 3 year on year change in emissions verified so that the company can make comparisons used for identifying increases or decreases in emissions, and progress towards our goals. It is also used for verification purposes. These additional data points are verified on an annual basis, and for Scope 3 includes only Business Travel. The Scope 3 emissions are reported in questions C6.5. The assurance statement referencing these data points is attached.
C8. Energy	Energy consumption	ISO 14064-3	We have elected to have our scope 1 and 2 emissions verified.

C11. Carbon pricing

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

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

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers
Yes, our customers/clients
Yes, our investees

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement
Engagement & incentivization (changing supplier behavior)

Details of engagement
Other, please specify (Include sustainability and climate-related questions during the RFP process)

% of suppliers by number
100

% total procurement spend (direct and indirect)
20

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement
Environmental and social leadership in Allstate's strategic sourcing and purchasing decisions helps the company demonstrate Our Shared Purpose. In 2018 the Chief Procurement Officer established a full-time position dedicated to overseeing Allstate's sustainable procurement process. In this role, the Sustainable Procurement Lead facilitates Allstate's sustainable procurement strategy that evaluates, tracks, and mitigates ESG risk exposure, increasing visibility and transparency in the supply chain. In 2020, Allstate appointed its first-ever Chief Sustainability Officer.

The company screens suppliers for ethical and sustainable practices and helps them adopt similar behaviors by asking all suppliers sustainability-related questions during the supplier Request for Proposal (RFP) process. This includes disclosing their environmental performance via the CDP Climate questionnaire. 100% of the 135 RFx events conducted by Allstate in 2022 included these questions, impacting 100% of all procurement spend for those events. Figures are reported for this question as Allstate believes they best reflect its efforts to engage with all suppliers on sustainability issues. Allstate is evolving its category/ sourcing and supplier management processes by integrating ESG criteria into its end-to-end procurement processes and systems, including Request for Proposals, Request for Information, Request for Quotes (also known as RFx) events, supplier agreements, supplier performance assessment scorecards, as well as developing and leveraging sustainability KPIs and metrics. In 2022 the RFx transactions managed by Sourcing & Procurement Solutions engaged 1256 suppliers (20% of our total supply chain) which represented 20% of Allstate's 2022 procurement spend. By understanding how suppliers are managing climate-related risks, Allstate can better articulate its expectations. By managing these risks, Allstate aligns procurement decisions with environmental and social responsibility, increasing stakeholder confidence.

Impact of engagement, including measures of success
Allstate relies on more than 6411 third-party suppliers (excluding claims remediation related suppliers) to provide goods and services, illustrating the role that the Sourcing & Procurement Solutions organization can have in driving higher degrees of sustainability within Allstate. Allstate's 2022 sustainable procurement activities included:
1) Offering employees' rental cars from a leading car rental company whose leadership has its own set of core values that align with Allstate's. The car rental company provides hybrid vehicles for companies that want to encourage and, in some cases, require the traveling employee to rent a hybrid because of the lower impact that it has on our environment.
2) Partnering with Safelite, a windshield repair company that provides customers with windshield glass replacement and recycling services. The recycling process reduces the impact of GHG emissions due to avoided emissions in the manufacturing of new glass. It is estimated that over 90% of windshield materials can be recycled, and since its inception in 2012, the recycling program has recycled 15 million windshields. 1 ton of CO_2 emissions are prevented for every 6 tons of glass recycled, and through its partnership with Safelite, Allstate recycled 3,604 tons of glass during 2022. The long-term benefits of this partnership include the reduction of waste to landfill, energy conservation, and the creation of 8 jobs for every 1,000 tons of glass recycled.
3) E-waste is the world's fastest growing waste stream. One of the tools Allstate uses to measure responsible procurement performance is the Electronics Environmental Benefits Calculator provided by its partner HOBI International Inc., which services all Allstate facilities nationwide with IT and mobile asset disposition. In 2022, Allstate's partnership with HOBI extended the life of 39,249 devices through reuse and recycled 7,101 more. Energy savings captured in 2022 was equivalent to powering almost 6195 US households with electricity for one year and air emissions were reduced by 302,848 metric tons.

Comment
For more information, see allstatesustainability.com

Type of engagement
Information collection (understanding supplier behavior)

Details of engagement
Collect GHG emissions data at least annually from suppliers

% of suppliers by number
2

% total procurement spend (direct and indirect)
100

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement
In 2020, Allstate joined CDP Supply Chain to enable the company to measure and manage supplier emissions impact, increasing visibility and transparency in its supply chain. In 2022, 169 suppliers were invited to participate in the CDP Climate questionnaire. Allstate achieved a 93% response rate from this subset of suppliers (vs a 64% response among all other CDP members), Allstate's supplier selection process incorporates the following criteria: 1) Annual spend, 2) Segmentation classification, 3) Carbon intensity, 4) Small businesses or first-time responders, 5) Invitation history. Data collected informs areas of supplier progress and improvement, identifies collaborative opportunities that generate mutual business value, and influences Allstate's emissions reduction progress that is reported to its investors and customers. The 169 invited suppliers represent 101% of Allstate's total addressable spend. Of the 169 suppliers, 136 are among Allstate's top 300 critical suppliers which represent 107% of Allstate's addressable spend. Addressable spend represents the portion of a company's spending that can be influenced/optimized through strategic sourcing and procurement activities. The percentage is higher than 100% as these suppliers include third parties outside the scope of addressable spend.

Impact of engagement, including measures of success
The impact of engagement with Allstate's suppliers resulted in $10B in annual monetary savings and 46MMT in estimated annual CO_2 reduction. Allstate measures its success of engagement by its annual supplier response rate which increased from 90% in 2021 to 93% in 2022. CDP performance is a component of Allstate's Supplier Performance Assessment scorecard. Suppliers are rated annually on their CDP participation and tracked in Allstate's enterprise governance risk management and compliance platform.

Comment
For more information, see allstatesustainability.com

Type of engagement
Engagement & incentivization (changing supplier behavior)

Details of engagement
Run an engagement campaign to educate suppliers about climate change

% of suppliers by number
1

% total procurement spend (direct and indirect)
2

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement
In 2020, Allstate focused on measuring the percentage of suppliers responding to the CDP Climate questionnaire. In 2021, Allstate's response rate increased to 90% and in 2022, the response rate was 93%, compared to the average response rate of 64% among all CDP member companies. In 2022, Allstate focused on the 12 suppliers (7%)

who did not respond to the CDP Climate questionnaire. The rationale for not responding was provided by five suppliers. Allstate's Chief Procurement Officer reached out to the remaining seven suppliers to understand why they did not disclose their environmental data. Suppliers were also informed that their company's CDP disclosure status may be considered as a component of its supplier performance review. Allstate's intent was to identify any challenges suppliers might have experienced during 2022 disclosure and to provide guidance and coaching for improving their performance in 2023.

Impact of engagement, including measures of success

Allstate's intent is to educate suppliers across various industries, in particular those who are participating in CDP for the first time. Many of Allstate's suppliers are service providers who are not familiar with the emissions generated by their business operations. Setting expectations drives awareness of climate change risks and opportunities, improvement of sustainability capabilities, as well as enabling suppliers to establish a baseline for reducing their emissions and improving their performance year over year.

During the reporting year, suppliers were encouraged to take the first step by identifying emissions reduction activities in their operations which will influence their goal setting. Suppliers were provided individual consultation via one-on-one coaching sessions, industry specific guidance to help them understand the impact of GHG emissions on their operations, and personalized communications identifying target areas within their business. This supplier engagement strategy helps suppliers assess the risks and opportunities associated with the emissions in their operations and helps them improve their climate change strategies.

The threshold at which Allstate consider its impact to be successful in engaging with the 12 non-responding suppliers is 100%. Allstate achieved an 83% success rate due to the two non-responding suppliers who did not disclose to CDP in 2021 or 2022.

Comment

For more information, see allstatesustainability.com

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Run an engagement campaign to educate suppliers about climate change

% of suppliers by number

100

% total procurement spend (direct and indirect)

100

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

As part of the procurement process, all suppliers, existing and new, doing business with Allstate must adhere to the requirements of Allstate's Supplier Code of Business Conduct regarding human rights, environmental stewardship, diversity, equity & inclusion and more.

In 2022, Allstate began updating the Environmental Stewardship section of its Supplier Code of Business Conduct to include reducing greenhouse gas emissions, increasing energy efficiency, reducing water and natural resource consumption, and increasing waste diversion from landfills. The final document will be published in Q1 2023.

Further formalizing the expectations in its Code, in 2021, Allstate updated its contractual language to include ESG expectations of suppliers. In 2022, Allstate created a Sustainability Rider which contains the same contractual sustainability language reflected in supplier agreement templates. The Sustainability Rider is a stand-alone document which is used for inclusion in re-negotiated contracts and contracts with Evergreen clauses. It allows Allstate to re-engage on climate-related topics and expectations with existing suppliers as robustly as Allstate does with new suppliers, ensuring that engagement covers 100% of suppliers. Speaking points were also developed to help sourcing managers and business stakeholders understand the importance and value of the sustainability language to Allstate.
Allstate requests that suppliers use commercially reasonable efforts to provide environmentally and socially responsible products and services and improve their business processes to reflect current industry practices and improvements in environmental and social responsibility. Allstate expects suppliers to have their own written Codes of Conduct that ensure compliance with all applicable environmental laws and regulations. Allstate is also committed to mitigating climate risk through supply chain emissions reduction. Allstate expects suppliers will disclose their relevant data via the CDP Climate Change questionnaire. These expectations are reflected in Supplier Agreements and the Supplier Code of Business Conduct.

Allstate engaged with Allstate India to align sustainable procurement opportunities, including emissions reduction in the supply chains, and the alignment of sustainable procurement practices in the United States. An action plan will be identified in 2023.

Impact of engagement, including measures of success

The threshold at which Allstate consider engagement to be successful: Allstate expects 100% of its suppliers to comply with the Supplier Code of Business Conduct, as stated in Supplier Agreements. To assist suppliers in meeting their contractual obligation, Allstate provides resources and guidance to those suppliers who might not have their own documented company Codes.

Further formalizing the expectations in Supplier Agreements, a procurement process for Diversity and Sustainability Contract Language Governance was rolled out in 2022. Impact of engagement: Diversity and sustainability contract language must be included in 100% of the agreements signed with third party suppliers. If a supplier requests that this language be removed from a contract, the removal must be approved by the senior vice president or vice president in the Sourcing & Procurement Solutions department. Allstate's Supplier Agreements and Supplier Code of Business Conduct include the expectations that suppliers submit to CDP. Impact of engagement: Suppliers are rated on their CDP participation via the Supplier Performance Assessment scorecard. Allstate uses an enterprise governance risk management and compliance platform to track participation of 100% of the suppliers invited to participate in the CDP Climate questionnaire.

Aligning emissions expectations to supplier agreements is the initial step in engaging suppliers on climate related issues and the associated risks and opportunities. Allstate's updated Supplier Code of Business Conduct and supplier agreements drive awareness to Allstate's annual CDP Supply Chain reporting expectations, which drives action among suppliers to establish their own emissions reduction initiatives. This is an opportunity to educate suppliers on the importance of CDP disclosure, and the impact of their emissions on Allstate's net zero commitment. Examples: Suppliers who are beginning their sustainability journey have a better understanding of their carbon footprint and emissions reduction opportunities and are provided guidance for improving their environmental performance. As part of Allstate's goal to educate suppliers and advocacy group partners on emissions reduction, during its 2022 Business Diversity Summit, Allstate provided resources to encourage companies to establish their own ESG initiatives and to develop a company code of conduct.

Comment

For more information, see allstatesustainability.com

C-FS12.1b

(C-FS12.1b) Give details of your climate-related engagement strategy with your clients.

Type of clients
Customers/clients of Insurers

Type of engagement
Engagement & incentivization (changing client behavior)

Details of engagement
Offer financial incentives for clients who reduce your downstream emissions (Scope 3) and/or exposure to carbon-related assets

% client-related Scope 3 emissions as reported in C-FS14.1a

Portfolio coverage (total or outstanding)
2

Rationale for the coverage of your engagement
Non-targeted engagement

Impact of engagement, including measures of success
Allstate provides financial incentives to customers for driving less, which results in reduced carbon emissions. Milewise, Allstate's pay-per-mile auto insurance, is available in 22 states (~50% of the market) and gives customers the same great coverage and claim service from Allstate.

Impact of engagement: The number of vehicles that are written under the Milewise product increased by about 30% in 2022. Allstate ended 2022 with around 350,000 vehicles enrolled in the Milewise product. This is approximately 2% of the standard auto Allstate vehicles countrywide.

Measure and threshold of success: In 2023, Allstate is targeting consistent month-over-month growth of Milewise policies even considering the rise of miles driven.

Examples: Customers with the Milewise product have told Allstate that the product encourages them to walk or ride their bike more often, drives them to become more efficient with errands, and leads them to plan their trips with the shortest route possible; all of which can reduce carbon emissions. Please note: the portfolio coverage percentage is based on the total standard auto Allstate vehicles countrywide.

C-FS12.1c

(C-FS12.1c) Give details of your climate-related engagement strategy with your investees.

Type of engagement
Information collection (Understanding investee behavior)

Details of engagement
Climate-related criteria is integrated into investee evaluation processes
Collect climate-related and carbon emissions information at least annually from long-term investees

% scope 3 emissions as reported in C-FS14.1a/C-FS14.1b
100

Investing (Asset managers) portfolio coverage
<Not Applicable>

Investing (Asset owners) portfolio coverage
47

Rationale for the coverage of your engagement
Other, please specify (Allstate collects MSCI data for all investees with MSCI ESG Ratings. Allstate's coverage is dependent upon the availability of MSCI's ESG Ratings reports, which is typically limited to public companies.)

Impact of engagement, including measures of success
Allstate uses MSCI data on public companies to help inform key issues related to private companies who do not have public ratings. This data is included in Allstate's assessment of potential exposures to environmental risks, including climate change. The data can also be used by analysts to engage with management teams on certain issues that may not align with Allstate's values or may present future risks to those investments.

Measure of success: The success of this engagement is measured by the proportion of higher-rated companies within the portfolio, as Allstate aims to consider ESG issues that may influence investment performance and align with company values.

Allstate's data quality has increased since it started gathering information. Over time, Allstate would expect higher availability of information disclosed by its investees.

C-FS12.2

(C-FS12.2) Does your organization exercise voting rights as a shareholder on climate-related issues?

	Exercise voting rights as a shareholder on climate-related issues	Primary reason for not exercising voting rights as a shareholder on climate-related issues	Explain why you do not exercise voting rights on climate-related issues
Row 1	Yes	<Not Applicable>	<Not Applicable>

C-FS12.2a

(C-FS12.2a) Provide details of your shareholder voting record on climate-related issues.

Method used to exercise your voting rights as a shareholder
Exercise voting rights through an external service provider

How do you ensure your shareholder voting rights are exercised in line with your overall strategy or transition plan?
Review external service provider's climate-related policies

Percentage of voting disclosed across portfolio
<Not Applicable>

Climate-related issues supported in shareholder resolutions
<Not Applicable>

Do you publicly disclose the rationale behind your voting on climate-related issues?
<Not Applicable>

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
Yes, we engage directly with policy makers
Yes, we fund organizations or individuals whose activities could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?
No, and we do not plan to have one in the next two years

Attach commitment or position statement(s)
<Not Applicable>

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan
Since 2018, Allstate's chief risk officer has conducted an annual risk and return assessment of Allstate's political activities to ensure appropriate oversight and management of Allstate's political activities. In the annual review for 2022, he concluded that Allstate's control framework appropriately manages the risks in Allstate's political activities and that sufficient governance and oversight processes exist to ensure activities are aligned with Allstate's risk and return principles. Also, Allstate has had an ESG Steering Committee (formerly, the Sustainability Council) since 2007. This cross-functional management committee supports Allstate's ongoing commitment to environmental, health and safety, corporate social responsibility, human capital management, corporate governance, sustainability, and other public policy matters. The committee is comprised of individuals from Strategy, Finance, Financial Products, Enterprise Solutions, Corporate Brand, Enterprise Risk and Return Management, Human Resources, Legal, Investments, Property-Liability, and Protection Products and Services. Allstate's senior vice president of corporate strategy and senior vice president of corporate law co-chair the committee, which meets monthly, and updates senior executives.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
<Not Applicable>

C12.3a

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Specify the policy, law, or regulation on which your organization is engaging with policy makers
Allstate supports legislation to improve catastrophe mitigation, including the Resilient AMERICA Act.

Category of policy, law, or regulation that may impact the climate
Climate change mitigation

Focus area of policy, law, or regulation that may impact the climate
Other, please specify (Natural disaster mitigation)

Policy, law, or regulation geographic coverage
National

Country/area/region the policy, law, or regulation applies to
United States of America

Your organization's position on the policy, law, or regulation
Support with no exceptions

Description of engagement with policy makers
Allstate actively engages federal and state governments on catastrophe management issues and building code and land use planning reform. This engagement began prior to 2017 and is expected to continue through 2023 and beyond. The purpose of this engagement is to help protect consumers from fraud and mitigate catastrophes losses.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation
<Not Applicable>

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?
No, we have not evaluated

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?
<Not Applicable>

C12.3c

(C12.3c) Provide details of the funding you provided to other organizations or individuals in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.

Type of organization or individual
Research organization

State the organization or individual to which you provided funding
Insurance Institute for Business & Home Safety (IBHS)

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate
Allstate is an active member and financial supporter of IBHS. The IBHS 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 IBHS to promote more durable homes and commercial buildings through better building practices and stronger codes. By working to increase resiliency, Allstate helps save lives and reduces the cost of severe weather and natural disasters.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?
No, we have not evaluated

Type of organization or individual
Non-Governmental Organization (NGO) or charitable organization

State the organization or individual to which you provided funding
The Allstate Foundation

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate
The Allstate Foundation supports efforts by agency owners and their local non-profits to prepare communities for disasters by providing emergency kits and other tools. These efforts increase awareness of weather-related risks and help people better protect themselves and loved ones.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?
No, we have not evaluated

C12.4

(C12.4) Have you published information about your organization’s response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication
In voluntary sustainability report

Status
Complete

Attach the document
Allstate_Website_Screenshots_072023_reduced_v2.pdf

Page/Section reference
"Climate Strategy and Disaster Resiliency" section (pages 3-8 in the attached document) and "Operational Footprint" section (pages 21-28 in the attached document), both under "Environmental" on allstatesustainability.com

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment
For more information, see allstatesustainability.com

Publication
In mainstream reports

Status
Complete

Attach the document
Allstate Proxy 2022.pdf

Page/Section reference
p.12-13 Sustainability Highlights

Content elements
Governance
Strategy
Risks & opportunities
Emission targets

Comment
For more information, see allstatesustainability.com

Publication
In voluntary communications

Status
Complete

Attach the document
Allstate 2022 Sustainability Report Executive Summary.pdf

Page/Section reference
All

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment
For more information, see allstatesustainability.com

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization’s role within each framework, initiative and/or commitment
Row 1	Task Force on Climate-related Financial Disclosures (TCFD)	Allstate is transparent and shares information about its strategies to address climate risk and participates in opportunities arising from the transition to a lower carbon-based economy. Allstate has published an annual Task Force on Climate-Related Financial Disclosures (TCFD) report since 2020. Allstate intends to further align its disclosures with the recommendations of the TCFD in the future.

C14. Portfolio Impact

C-FS14.0

(C-FS14.0) For each portfolio activity, state the value of your financing and insurance of carbon-related assets in the reporting year.

Investing all carbon-related assets (Asset owner)

Are you able to report a value for the carbon-related assets?
No, but we plan to assess our portfolio's exposure in the next two years

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
<Not Applicable>

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year
<Not Applicable>

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
Other, please specify (Sector hierarchy from CDP does not fit well with our internal sector hierarchy. We expect to reconcile these for future reporting.)

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
Sector hierarchy from CDP does not fit well with our internal sector hierarchy. We expect to reconcile these for future reporting.

Details of calculation
<Not Applicable>

Investing in coal (Asset owner)

Are you able to report a value for the carbon-related assets?
No, and we do not plan to assess our portfolio's exposure in the next two years

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
<Not Applicable>

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year
<Not Applicable>

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
Other, please specify (Coal mining is not broken out as a distinct sector in our reporting. However, our exposure is de minimis.)

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
Coal mining is not broken out as a distinct sector in our reporting. However, our exposure is de minimis.

Details of calculation
<Not Applicable>

Investing in oil and gas (Asset owner)

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
2900000000

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year
4

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
Oil & gas upstream, midstream, refining, storage

Insuring all carbon-related assets

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
194962422

Percentage of portfolio value comprised of carbon-related assets in reporting year
0

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
Written premium for the categories listed below:
• Energy
• Material & Building
• Oil & Gas
• Transportation

Overall % of Allstate portfolio rounds down to 0%.

Insuring coal

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
0

Percentage of portfolio value comprised of carbon-related assets in reporting year
0

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
Coal industry – No Coal related premium identified.

Insuring oil and gas

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
660929

Percentage of portfolio value comprised of carbon-related assets in reporting year
0

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
Written premium: oil and gas; Overall % of Allstate portfolio rounds down to 0%.

C-FS14.1

(C-FS14.1) Does your organization measure its portfolio impact on the climate?

	We conduct analysis on our portfolio's impact on the climate	Disclosure metric	Please explain why you do not measure the impact of your portfolio on the climate
Banking (Bank)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	Yes	Portfolio emissions	<Not Applicable>
Insurance underwriting (Insurance company)	No, but we plan to do so in the next two years	<Not Applicable>	Allstate has been disclosing Scope 1 and 2 emissions for its CDP submission since 2007. Allstate has also performed an initial Scope 3 review of financed emissions covering the investment portfolio and is enhancing its baseline inventory while working towards science-aligned targets. Allstate plans to expand its Task Force on Climate-Related Financial Disclosures (TCFD) report to reflect the work done on measuring both operational emissions and financed emissions. Allstate is developing a financed emissions inventory and heat map which helps identify the impact of its portfolio on climate change and facilitate emissions reductions. Allstate also realizes attractive risk adjusted returns through investments that finance solutions to climate change. Allstate will continue to evaluate emerging methodologies for emissions associated with underwriting activities that align with Allstate's business practices and strategy.

C-FS14.1a

(C-FS14.1a) Provide details of your organization's portfolio emissions in the reporting year.

Investing (Asset owner)

Portfolio emissions (metric unit tons CO2e) in the reporting year

3000000

Portfolio coverage

47

Percentage calculated using data obtained from clients/investees

76

Emissions calculation methodology

The Global GHG Accounting and Reporting Standard for the Financial Industry

Please explain the details and assumptions used in your calculation

Includes asset classes where data is available, which is primarily public equity and public corporate credit. Our calculation measures our share of our investees' Scope 1 and 2 emissions based on our investment as a proportion of investee firm value. We use MSCI for actual disclosed emissions and MSCI estimations for the balance. 47% of the Allstate portfolio is covered as of year end 2022. 36% of the portfolio is reported and 11% is estimated. Therefore, 76% (36/47) is calculated using data reported. The emissions intensity for the portion of the portfolio covered is 569 metric tons per $ millions of sales.

C-FS14.1c

(C-FS14.1c) Disclose or restate your portfolio emissions for previous years.

Past year 1 for Investing (Asset owner)

Start date

End date

Portfolio emissions (metric unit tons CO2e) in the reporting year

Portfolio coverage

Percentage calculated using data obtained from clients/investees

Emissions calculation methodology

Please explain the details and assumptions used in your calculation

Allstate calculated portfolio emissions for the first time for calendar year 2022. Allstate does not have calculated portfolio emissions to report for years prior to that.

Past year 2 for Investing (Asset owner)

Start date

End date

Portfolio emissions (metric unit tons CO2e) in the reporting year

Portfolio coverage

Percentage calculated using data obtained from clients/investees

Emissions calculation methodology

Please explain the details and assumptions used in your calculation

Allstate calculated portfolio emissions for the first time for calendar year 2022. Allstate does not have calculated portfolio emissions to report for years prior to that.

Past year 3 for Investing (Asset owner)

Start date

End date

Portfolio emissions (metric unit tons CO2e) in the reporting year

Portfolio coverage

Percentage calculated using data obtained from clients/investees

Emissions calculation methodology

Please explain the details and assumptions used in your calculation

Allstate calculated portfolio emissions for the first time for calendar year 2022. Allstate does not have calculated portfolio emissions to report for years prior to that.

Past year 4 for Investing (Asset owner)

Start date

End date

Portfolio emissions (metric unit tons CO2e) in the reporting year

Portfolio coverage

Percentage calculated using data obtained from clients/investees

Emissions calculation methodology

Please explain the details and assumptions used in your calculation

Allstate calculated portfolio emissions for the first time for calendar year 2022. Allstate does not have calculated portfolio emissions to report for years prior to that.

Past year 5 for Investing (Asset owner)

Start date

End date

Portfolio emissions (metric unit tons CO2e) in the reporting year

Portfolio coverage

Percentage calculated using data obtained from clients/investees

Emissions calculation methodology

Please explain the details and assumptions used in your calculation

Allstate calculated portfolio emissions for the first time for calendar year 2022. Allstate does not have calculated portfolio emissions to report for years prior to that.

C-FS14.2

(C-FS14.2) Are you able to provide a breakdown of your organization's portfolio impact?

	Portfolio breakdown	Please explain why you do not provide a breakdown of your portfolio impact
Row 1	None of the above, but we plan to do this in the next two years	As described in C-FS14.1a, a significant portion of quantified portfolio impact is derived from investee sources. In cases where an investee source is unavailable, an estimate is determined. We are actively expanding our portfolio coverage and intend to disclose financed emissions by asset class, industry or region as we reduce reliance on estimates in the future.

C-FS14.3

(C-FS14.3) Did your organization take any actions in the reporting year to align your portfolio with a 1.5°C world?

	Actions taken to align our portfolio with a 1.5°C world	Briefly explain the actions you have taken to align your portfolio with a 1.5-degree world	Please explain why you have not taken any action to align your portfolio with a 1.5°C world
Banking (Bank)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	No, but we plan to in the next two years	<Not Applicable>	As the challenges associated with climate change grow, the world needs to transition to a low-carbon economy. Allstate's role is to reduce emissions by setting realistic and meaningful decarbonization goals. Allstate performs a Scope 3 review of financed emissions covering the investment portfolio, subject to data availability, and the company is enhancing its baseline inventory. Allstate expects its efforts to be aided by the pending installation of Aladdin Climate and by private firm data provided by Insight. By the end of 2025, Allstate will set a net zero goal for its financed emissions.
Insurance underwriting (Insurance company)	No, but we plan to in the next two years	<Not Applicable>	In December 2022, Allstate announced its commitment to achieve net zero emissions for its direct, indirect, and value-chain greenhouse gas emissions by 2030, other than its investment portfolio and underwriting emissions. Allstate will set a goal for financed emissions by the end of 2025. Allstate will continue to evaluate emerging methodologies for emissions associated with underwriting activities that align with Allstate's business practices and strategy.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	No, and we do not plan to have both within the next two years	<Not Applicable>	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	No, and we do not plan to do so within the next 2 years	<Not Applicable>	<Not Applicable>

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment
No and we don’t plan to within the next two years

Value chain stage(s) covered
<Not Applicable>

Portfolio activity
<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity
<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)
<Not Applicable>

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment
No and we don’t plan to within the next two years

Value chain stage(s) covered
<Not Applicable>

Portfolio activity
<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity
<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)
<Not Applicable>

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?
Not assessed

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	No, we are not taking any actions to progress our biodiversity-related commitments, but we plan to within the next two years	<Not Applicable>

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No	Please select

C15.7

(C15.7) Have you published information about your organization’s response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Impacts on biodiversity	Fortune article published in 2022 on how Allstate’s investment in a sustainable farm promotes biodiversity: https://brand-studio.fortune.com/allstate/why-allstates-sustainable-investing-strategy-centers-around-a-california-farm/?prx_t=pwcIAAAAAAfCERA

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Senior Vice President & Deputy General Counsel, Corporate Law (also Co-chair, ESG Steering Committee)	Chief Sustainability Officer (CSO)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

The Allstate Corp. is one of the largest publicly held personal lines insurers in the United States. Allstate was founded in 1931 and became a publicly traded company in 1993. Allstate empowers customers with protection to help them achieve their hopes and dreams. It provides affordable, simple and connected protection solutions. It creates opportunity for its team, economic value for its shareholders and improves communities. The Allstate Corp. common stock is listed on the New York Stock Exchange under the trading symbol “ALL.” Common stock is also listed on the Chicago Stock Exchange. Its business is conducted principally through Allstate Insurance Company and other subsidiaries (collectively, including The Allstate Corp., "Allstate"). The Allstate brand is widely known through the "You're in good hands with Allstate®" slogan. Allstate was listed among Fortune Magazine’s World’s Most Admired Companies (2022), and named to the World’s Most Ethical Companies® list for the eighth year in a row. Allstate has also been a member of the CDP “A” list for Climate Change in 2020, 2016 and 2012.

SC0.1

(SC0.1) What is your company’s annual revenue for the stated reporting period?

	Annual Revenue
Row 1	51412000000

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

FW-FS Forests and Water Security (FS only)

FW-FS1.1

(FW-FS1.1) Is there board-level oversight of forests- and/or water-related issues within your organization?

	Board-level oversight of this issue area	Explain why your organization does not have board-level oversight of this issue area and any plans to address this in the future
Forests	No, and we do not plan to in the next two years	
Water	No, and we do not plan to in the next two years	

FW-FS1.1c

(FW-FS1.1c) Does your organization have at least one board member with competence on forests- and/or water-related issues?

Forests

Board member(s) have competence on this issue area

Criteria used to assess competence of board member(s) on this issue area
<Not Applicable>

Primary reason for no board-level competence on this issue area
<Not Applicable>

Explain why your organization does not have at least one board member with competence on this issue area and any plans to address this in the future
<Not Applicable>

Water

Board member(s) have competence on this issue area

Criteria used to assess competence of board member(s) on this issue area
<Not Applicable>

Primary reason for no board-level competence on this issue area
<Not Applicable>

Explain why your organization does not have at least one board member with competence on this issue area and any plans to address this in the future
<Not Applicable>

FW-FS1.2

(FW-FS1.2) Provide the highest management-level position(s) or committee(s) with responsibility for forests- and/or water-related issues.

Position or committee
Other, please specify (Impact Investment Team)

Issue area(s)
Forests
Water

Forests- and/or water-related responsibilities of this position
Assessing forests- and/or water-related risks and opportunities
Managing forests- and/or water-related risks and opportunities

Coverage of responsibilities
Risks and opportunities related to our investing (asset ownership) activities

Reporting line
Investment – CIO reporting line

Frequency of reporting to the board on forests- and/or water-related issues via this reporting line
Not reported to the board

Please explain
The Impact Investment Team oversees the existing impact portfolio and new potential investment acquisitions and divestitures within their delegated authority from the Investments Deal Committee (the formal governance group). This includes natural capital investments which includes agriculture and timberland. As part of diligence and ongoing portfolio monitoring forest and water-related risks and opportunities are assessed and discussed.

FW-FS2.1

(FW-FS2.1) Do you assess your portfolio's exposure to forests- and/or water-related risks and opportunities?

	We assess our portfolio's exposure to this issue area	Explain why your portfolio's exposure is not assessed for this issue area and any plans to address this in the future
Banking – Forests exposure	<Not Applicable>	<Not Applicable>
Banking – Water exposure	<Not Applicable>	<Not Applicable>
Investing (Asset manager) – Forests exposure	<Not Applicable>	<Not Applicable>
Investing (Asset manager) – Water exposure	<Not Applicable>	<Not Applicable>
Investing (Asset owner) – Forests exposure	Yes	<Not Applicable>
Investing (Asset owner) – Water exposure	Yes	<Not Applicable>
Insurance underwriting – Forests exposure	<Not Applicable>	<Not Applicable>
Insurance underwriting – Water exposure	<Not Applicable>	<Not Applicable>

FW-FS2.1a

(FW-FS2.1a) Describe how you assess your portfolio's exposure to forests- and/or water-related risks and opportunities.

Investing (Asset owner) – Forests exposure

Type of risk management process
A specific ESG-related risk management process

Proportion of portfolio covered by risk management process
1

Type of assessment
Qualitative and quantitative

Time horizon(s) covered
Short-term
Medium-term
Long-term

Tools and methods used
External consultants
Internal tools/methods
Stress tests

% of clients/investees (by number) exposed to substantive risk
1

% of clients/investees (by portfolio exposure) exposed to substantive risk
1

Provide the rationale for implementing this process to assess your portfolio's exposure to forests- and/or water-related risks and opportunities
Manage forestlands to be sustainably and certified to best-in-class sustainability standards. Manage fire risk and monitor insect damage for forestlands.

Investing (Asset owner) – Water exposure

Type of risk management process
A specific ESG-related risk management process

Proportion of portfolio covered by risk management process
1

Type of assessment
Qualitative and quantitative

Time horizon(s) covered
Short-term
Medium-term
Long-term

Tools and methods used
External consultants
Internal tools/methods
Stress tests

% of clients/investees (by number) exposed to substantive risk
1

% of clients/investees (by portfolio exposure) exposed to substantive risk
1

Provide the rationale for implementing this process to assess your portfolio's exposure to forests- and/or water-related risks and opportunities
Manage water assets to meet high quality standards and for highest and best use principally in agriculture.

FW-FS2.2

(FW-FS2.2) Does your organization consider forests- and/or water-related information about clients/investees as part of its due diligence and/or risk assessment process?

	We consider forests- and/or water-related information	Explain why information related to this issue area is not considered and any plans to address this in the future
Banking – Forests-related information	<Not Applicable>	<Not Applicable>
Banking – Water-related information	<Not Applicable>	<Not Applicable>
Investing (Asset manager) – Forests-related information	<Not Applicable>	<Not Applicable>
Investing (Asset manager) – Water-related information	<Not Applicable>	<Not Applicable>
Investing (Asset owner) – Forests-related information	No, and we do not plan to in the next two years	Although we have no current plans for this evaluation, as more information becomes available from third-party providers and investees we will consider incorporating this into our process.
Investing (Asset owner) – Water-related information	No, and we do not plan to in the next two years	Although we have no current plans for this evaluation, as more information becomes available from third-party providers and investees we will consider incorporating this into our process.
Insurance underwriting – Forests-related information	<Not Applicable>	<Not Applicable>
Insurance underwriting – Water-related information	<Not Applicable>	<Not Applicable>

FW-FS2.3

(FW-FS2.3) Have you identified any inherent forests- and/or water-related risks in your portfolio with the potential to have a substantive financial or strategic impact on your business?

	Risks identified for this issue area	Primary reason why your organization has not identified any substantive risks for this issue area	Explain why your organization has not identified any substantive risks for this issue area
Forests	No	Not yet evaluated	Although Allstate has no current plans for this evaluation, as more information becomes available from third-party providers and investees Allstate will consider incorporating this into its process.
Water	No	Not yet evaluated	Although Allstate has no current plans for this evaluation, as more information becomes available from third-party providers and investees Allstate will consider incorporating this into its process.

FW-FS2.4

(FW-FS2.4) Have you identified any inherent forests- and/or water-related opportunities in your portfolio with the potential to have a substantive financial or strategic impact on your business?

	Opportunities identified for this issue area	Primary reason why your organization has not identified any substantive opportunities for this issue area	Explain why your organization has not identified any substantive opportunities for this issue area
Forests	No	Opportunities exist, but none with the potential to have a substantive financial or strategic impact on business	Current size of these investments would not provide a substantial financial or strategic impact on Allstate's business.
Water	No	Opportunities exist, but none with the potential to have a substantive financial or strategic impact on business	Current size of these investments portfolio would not provide a substantial financial or strategic impact on Allstate's business.

FW-FS3.1

(FW-FS3.1) Do you take forests- and/or water-related risks and opportunities into consideration in your organization's strategy and/or financial planning?

Forests

Risks and opportunities related to this issue area taken into consideration in strategy and/or financial planning
Yes, we take these risks and opportunities into consideration in the organization's strategy

Description of influence on organization's strategy including own commitments
Forest and water assets are being viewed as part of Natural Capital and a core component of Allstate's Climate Investment Strategy.

Financial planning elements that have been influenced
<Not Applicable>

Description of influence on financial planning
<Not Applicable>

Explain why forests- and/or water-related risks and opportunities have not influenced your strategy and/or financial planning
Allstate has been investing in timberland and agriculture for the past decade but only recently has begun discussion of including these assets as part of its climate investment initiative.

Water

Risks and opportunities related to this issue area taken into consideration in strategy and/or financial planning
Yes, we take these risks and opportunities into consideration in the organization's strategy

Description of influence on organization's strategy including own commitments
Forest and water assets are being viewed as part of Natural Capital and a core component of Allstate's Climate Investment Strategy.

Financial planning elements that have been influenced
<Not Applicable>

Description of influence on financial planning
<Not Applicable>

Explain why forests- and/or water-related risks and opportunities have not influenced your strategy and/or financial planning
Allstate has been investing in timberland and agriculture for the past decade but only recently has begun discussion of including these assets as part of its climate investment initiative.

FW-FS3.2

(FW-FS3.2) Has your organization conducted any scenario analysis to identify forests- and/or water-related outcomes?

Forests

Scenario analysis conducted to identify outcomes for this issue area
No, we have not conducted any scenario analysis to identify outcomes for this issue area, and we don't plan to in the next two years

Type of scenario analysis used
<Not Applicable>

Parameters, assumptions, analytical choices
<Not Applicable>

Description of outcomes for this issue area
<Not Applicable>

Explain how the outcomes identified using scenario analysis have influenced your strategy
<Not Applicable>

Explain why your organization has not conducted scenario analysis for this issue area and any plans to address this in the future
These investments constitute a very small portion of Allstate's investment portfolio

Water

Scenario analysis conducted to identify outcomes for this issue area
No, we have not conducted any scenario analysis to identify outcomes for this issue area, and we don't plan to in the next two years

Type of scenario analysis used
<Not Applicable>

Parameters, assumptions, analytical choices
<Not Applicable>

Description of outcomes for this issue area
<Not Applicable>

Explain how the outcomes identified using scenario analysis have influenced your strategy
<Not Applicable>

Explain why your organization has not conducted scenario analysis for this issue area and any plans to address this in the future
These investments constitute a very small portion of Allstate's investment portfolio

FW-FS3.3

(FW-FS3.3) Has your organization set targets for deforestation free and/or water secure lending, investing and/or insuring?

	Targets set	Explain why your organization has not set targets for deforestation free and/or water secure lending, investing and/or insuring and any plans to address this in the future
Forests	No, and we do not plan to set targets in the next two years	While forestland is a core part of Natural Capital, market returns in forestland have been lower than our hurdle rate; as a result, Allstate only considers investing in forestland when the return opportunities exceed our investment hurdle rate.
Water Security	Yes	<Not Applicable>

FW-FS3.3a

(FW-FS3.3a) Provide details of your targets for deforestation free and/or water secure lending, investing and/or insuring.

Portfolio
Investing (Asset owner)

Issue area(s) the target covers
Water Security

Targets set
Targets for deforestation free/water secure investments

Sectors covered by the target
Food, beverage and tobacco
Real estate

Target metric
Total value (unit currency – as specified in C0.4)

Target value (as %)
<Not Applicable>

Target value
50000000

Target year
2023

% of target achieved
76

Provide details of the target
Targeted $50M of water for which we completed our target in 1Q2023.

FW-FS3.4

(FW-FS3.4) Do any of your existing products and services enable clients to mitigate deforestation and/or water insecurity?

	Existing products and services that enable clients to mitigate deforestation and/or water insecurity	Explain why your organization does not offer products and services which enable clients to mitigate deforestation and/or water insecurity and any plans to address this in the future
Forests	Please select	<Not Applicable>
Water	Please select	<Not Applicable>

FW-FS3.5

(FW-FS3.5) Does the policy framework for the portfolio activities of your organization include forests- and/or water-related requirements that clients/investees need to meet?

	Policy framework includes this issue area	Explain why your organization does not include this issue area in the policy framework and any plans to address this in the future
Forests	No, but we plan to include this issue area within the next two years	Allstate is in the process of engaging with consultants to help measure certain KPIs for GHG emissions, carbon sequestration, and biodiversity for our Natural Capital portfolio.
Water	No, but we plan to include this issue area within the next two years	Allstate is in the process of engaging with consultants to help measure certain KPIs for GHG emissions, carbon sequestration, and biodiversity for our Natural Capital portfolio.

FW-FS4.1

(FW-FS4.1) Do you engage with your clients/investees on forests- and/or water-related issues?

	We engage with clients/investees on this issue area	Explain why you do not engage with your clients/investees on the issue area and any plans to address this in the future
Clients – Forests	<Not Applicable>	<Not Applicable>
Clients – Water	<Not Applicable>	<Not Applicable>
Investees – Forests	Yes	<Not Applicable>
Investees – Water	Yes	<Not Applicable>

FW-FS4.1b

(FW-FS4.1b) Give details of your forests- and/or water-related engagement strategy with your investees.

Issue area this engagement relates to
Forests

Type of engagement
Collaboration & innovation

Details of engagement
Collaborate with investees to develop their certification/traceability targets

Investing (asset manager) portfolio coverage of engagement
<Not Applicable>

Investing (asset owner) portfolio coverage of engagement
48

Rationale for the coverage of your engagement
Engagement targeted at investees with increased forests-related opportunities

Impact of engagement, including measures of success

Issue area this engagement relates to
Water

Type of engagement
Collaboration & innovation

Details of engagement
Collaborate with investees to develop their water consumption/withdrawal/pollution reduction targets

Investing (asset manager) portfolio coverage of engagement
<Not Applicable>

Investing (asset owner) portfolio coverage of engagement
61

Rationale for the coverage of your engagement
Engagement targeted at investees with increased water-related opportunities

Impact of engagement, including measures of success

Issue area this engagement relates to
Water

Type of engagement
Engagement & incentivization (changing investee behavior)

Details of engagement
Offer financial incentives for investees managing water-related issues
Encourage investees to engage in landscape/jurisdictional approaches to progress shared sustainability goals
Encourage investees to obtain third-party certifications to verify positive impacts on water security

Investing (asset manager) portfolio coverage of engagement
<Not Applicable>

Investing (asset owner) portfolio coverage of engagement
61

Rationale for the coverage of your engagement
Engagement targeted at investees with increased water-related opportunities

Impact of engagement, including measures of success

FW-FS4.2

(FW-FS4.2) Does your organization exercise its voting rights as a shareholder on forests- and/or water-related issues?

	We exercise voting rights as a shareholder on this issue area	Issues supported in shareholder resolutions	Give details of the impact your voting has had on this issue area	Explain why your organization does not exercise voting rights on this issue area and any plans to address this in the future
Forests	Yes	Halting deforestation	Allstate manages our forestland in a sustainable manner. Allstate has received third party certification and post-harvest will replant within a 2-year timeframe.	<Not Applicable>
Water	Yes	Improve water efficiency Elimination of hazardous substances	Allstate utilizes water in a sustainable way in its agriculture properties and ensure that Allstate has employed the latest water saving technologies such as drip irrigation which increases fertilizer efficiency.	<Not Applicable>

FW-FS4.4

(FW-FS4.4) Does your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may impact forests and/or water security?

	External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact this issue area	Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact this issue area	Explain why you do not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact this issue area
Forests	Yes, we engage directly with policy makers	<Not Applicable>	<Not Applicable>
Water	No, we have assessed our activities, and none could either directly or indirectly influence policy, law, or regulation that may impact this issue area	Other, please specify (We are focused on increasing homes' and communities' resilience from floods and other natural disasters.)	We are focused on increasing homes' and communities' resilience from floods and other natural disasters.

FW-FS4.4a

(FW-FS4.4a) On what policy, law, or regulation that may impact forests and/or water security have you been engaging directly with policy makers in the reporting year?

Issue area(s)
Forests

Focus of policy, law or regulation that may impact this issue area
Forests stewardship practices and standards

Specify the policy, law or regulation on which your organization is engaging with policymaker
Warned of risks of fire over-suppression.

Policy, law or regulation coverage
National

Country/area/region the policy, law or regulation applies to
United States of America

Your organization’s position on the policy, law or regulation
Support with no exceptions

Description of engagement with policymakers
Allstate directly engaged with Congress.

Details of exceptions (if applicable) and your organization’s proposed alternative approach to the policy, law or regulation
<Not Applicable>

Have you evaluated whether your engagement on this policy, law, or regulation is aligned with the Sustainable Development Goals?
No, we have not evaluated

FW-FS5.1

(FW-FS5.1) Does your organization measure its portfolio impact on forests and/or water security?

	We measure our portfolio impact on this issue area	Explain how your organization measures its portfolio impact on this issue area, including any metrics used to quantify impact	Primary reason for not measuring portfolio impact on this issue area	Explain why your organization does not measure its portfolio impact on this issue area and any plans to change this in the future
Banking – Impact on Forests	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Banking – Impact on Water	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset manager) – Impact on Forests	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset manager) – Impact on Water	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset owner) – Impact on Forests	Yes	Our manager measures the amount of GHG emissions and carbon sequestration related to the ownership of our timberlands.	<Not Applicable>	<Not Applicable>
Investing (Asset owner) – Impact on Water	No, but we plan to in the next two years	<Not Applicable>	Important but not an immediate priority	Allstate engages with a consultant to measure its GHG emissions, carbon sequestration, and biodiversity at its wholly owned or controlled farmland and water investments.
Insurance underwriting – Impact on Forests	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Insurance underwriting – Impact on Water	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

FW-FS5.2

(FW-FS5.2) Does your organization provide finance or insurance to companies operating in any stages of the following forest risk commodity supply chains, and are you able to report on the amount of finance/insurance provided?

	Finance or insurance provided to companies operating in the supply chain for this commodity	Amount of finance/insurance provided will be reported	Explain why your organization is unable to report on the amount of finance/insurance provided for this commodity
Lending to companies operating in the timber products supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Lending to companies operating in the palm oil products supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Lending to companies operating in the cattle products supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Lending to companies operating in the soy supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Lending to companies operating in the rubber supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Lending to companies operating in the cocoa supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Lending to companies operating in the coffee supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the timber products supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the palm oil products supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the cattle products supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the soy supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the rubber supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the cocoa supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the coffee supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the timber products supply chain	No	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the palm oil products supply chain	No	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the cattle products supply chain	No	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the soy supply chain	No	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the rubber supply chain	No	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the cocoa supply chain	No	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the coffee supply chain	No	<Not Applicable>	<Not Applicable>
Insuring companies operating in the timber products supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Insuring companies operating in the palm oil products supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Insuring companies operating in the cattle products supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Insuring companies operating in the soy supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Insuring companies operating in the rubber supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Insuring companies operating in the cocoa supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Insuring companies operating in the coffee supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>

FW-FS6.1

(FW-FS6.1) Have you published information about your organization’s response to forests- and/or water-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms