Our Shared Purpose

We are the Good Hands®
We help customers realize their hopes and dreams by providing the best products and services to protect them from life’s uncertainties and prepare them for the future.

OUR STRATEGIC VISION
Deliver substantially more value than the competition by reinventing protection to improve customers’ lives.

OUR CORPORATE GOAL
Create long-term value by serving our stakeholders, taking appropriate risks and leveraging our capabilities and strategic assets.

OUR VALUES
• Honesty, caring and integrity
• Inclusive diversity
• Engagement
• Accountability
• Superior performance

OUR PRIORITIES
• Customer focus
• Operational excellence
• Enterprise risk and return
• Sustainable growth
• Capital management

OUR LEADERSHIP PRINCIPLES
We empower every employee to lead and drive change.
• We’re here to serve.
• We win together.
• We drive results.
• We’re transparent.
• We continuously get better.
• We develop each other.

OUR OPERATING PRINCIPLES
• Put the customer at the center of all our actions.
• Use consumer insights, data, technology and people to better serve customers and generate growth.
• Execute well-considered decisions with precision and speed.
• Focus relentlessly on those few things that provide the greatest impact.
• Be a learning organization that leverages successes, learns from failures and continuously improves.
• Provide employees, agents and financial specialists fulfilling opportunities, personal growth and performance-based rewards.
• Take an enterprise view of our people and processes, and work as a single team to advance Allstate rather than our individual interests.
Transforming Allstate and improving society

Allstate's role in society is to serve customers, earn a return for shareholders, create economic growth and strengthen communities. This Prosperity Report highlights our successes and challenges in accomplishing these objectives.

Allstate has been in the catastrophe business for 89 years and helped rebuild communities after hurricanes, earthquakes and wildfires. Islands cut in half by wind, roads turned into asphalt pretzels and homes melted by heat have been rebuilt with America's massive resources, a can-do attitude and Allstate financial support of $48 billion over the last 25 years. The impact of these events was more geographically concentrated than the coronavirus pandemic yet the lessons from past disasters are valuable in helping customers cope with this crisis. Putting people first, we are giving money back to auto insurance customers as they drive less due to social distancing. Financially struggling customers can defer their payments. The Allstate Foundation and our people are supporting many social service organizations. We will get through this pandemic and be stronger.

Allstate's strategy to stay strong is to increase market share in personal property-liability insurance and provide customers with a circle of protection through life, worksite, consumer product protection plans and identity protection. This is consistent with Our Shared Purpose, which is to protect people from life's uncertainties. Our Transformative Growth Plan will provide customers with simple, affordable and connected products that will differentiate us from the competition. This multi-year undertaking increases operational risk but lowers strategic risk. As technology enables us to serve customers faster and better it will also require employees and Allstate agents to build new capabilities and embrace change.

We begin this transformation from a position of strength with excellent results on 2019's operating and financial priorities. An intense customer focus enabled us to raise the Enterprise Net Promoter Score, a measure of customer satisfaction, for the third straight year. Property-liability written premiums reached $35.4 billion, an increase of approximately $2 billion. Adjusted net income* was $3.48 billion, reflecting excellent underwriting results in the property-liability businesses and strong earnings from other businesses and the investment portfolio. The adjusted net income return on equity* was 16.9%, in the range of our long-term goal of 14% to 17%. Shareholders also received $653 million in dividends and the percentage ownership of a share of stock in the company increased by 4.1% due to $1.8 billion of share repurchases.

While a sound strategy, excellent operating capabilities and significant capital are all critical to success, it is Allstate's culture that ensures we stay successful. Our Shared Purpose articulates five core values which have resulted in recognition for strong ethics, inclusive diversity and innovation. We define culture as “a self-sustaining system of shared values, principles and priorities that shapes beliefs, drives behavior and influences decision-making within an organization.” The Transformative Growth Plan requires us to put even more focus on customers, empowerment and operational excellence. The Board has also elevated culture to one of Allstate's primary risk and return categories.

I believe purpose-driven companies are powered by purpose-driven people. Everybody at Allstate must be a leader and 44% of active employees have completed the Energy for Life program. We also have assembled a senior leadership team that will drive success far into the future. I want to thank Vice Chair Steve Shebik, who has been an outstanding compatriot for 25 years and has decided to retire.

Allstate is a positive force in America and it is my responsibility to ensure it stays that way. We have successfully advocated at the state level for addressing the impacts of climate change by strengthening building codes, expanding emergency response capabilities and creating catastrophe insurance pools. Allstate's Board governance has been recognized as amongst the best for public companies. The Allstate Foundation helps empower millions of youth and supports survivors of domestic violence. With your support, Allstate will continue to protect people from life's uncertainties and help build a better world.

I am proud to have the opportunity to serve you and the millions of people who depend on Allstate.

TOM WILSON, CHAIR, PRESIDENT AND CEO
Generating attractive returns

“Allstate creates long-term value through customer focus, operational excellence and proactive capital management.”

MARIO RIZZO
EXECUTIVE VICE PRESIDENT, CHIEF FINANCIAL OFFICER

Shareholders were well served in 2019 as Allstate paid $653 million in common dividends and their ownership in a share of stock increased 4.1% through $1.8 billion in share repurchases.

- The Enterprise Net Promoter Score, a measure of customer satisfaction, reached an all-time high.
- Total policies in force grew 32 million to 146 million, with 100 million of those from Allstate Protection Plans. Personal property-liability policies reached 34 million, a 1.3% increase from the prior year.
- Adjusted net income* was $3.48 billion.
- Adjusted net income return on equity* was 16.9%.

**PROPERTY-LIABILITY WRITTEN PREMIUM**

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2018</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>$35.4B</td>
<td>$33.6B</td>
<td>$31.6B</td>
<td>$30.9B</td>
<td>$30.1B</td>
</tr>
</tbody>
</table>

**ADJUSTED NET INCOME**

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2018</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>$3.48B</td>
<td>$3.13B</td>
<td>$2.69B</td>
<td>$1.94B</td>
<td>$2.25B</td>
</tr>
</tbody>
</table>

**ADJUSTED NET INCOME RETURN ON COMMON EQUITY**

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2018</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>16.9%</td>
<td>16.2%</td>
<td>14.6%</td>
<td>11.0%</td>
<td>12.4%</td>
</tr>
</tbody>
</table>

**BOOK VALUE PER COMMON SHARE**

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2018</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>$73.12</td>
<td>$57.56</td>
<td>$57.58</td>
<td>$50.76</td>
<td>$47.33</td>
</tr>
</tbody>
</table>

**TOTAL SHAREHOLDER RETURN VS. PEER AND MARKET INDEXES**

- Total shareholder return was 38.8% in 2019, in part reflecting the downturn in overall equity markets in the fourth quarter of 2018.
- Three- and five-year shareholder returns have been attractive.

1-year: 38.8%, 28.0%, 31.5%
3-year: 60.4%, 34.4%, 53.1%
5-year: 75.8%, 60.5%, 73.8%

*For definition of this term, please see the definitions of non-GAAP measures on pages 88–91 of our 2020 Proxy Statement.
Allstate has thrived for 89 years by adapting to better serve customers. Our Transformative Growth Plan for the personal property-liability businesses builds on that success by expanding customer access, improving customer value and increasing investments in marketing and technology. Our objective is to increase market share and improve sustainability.

EXPAND CUSTOMER ACCESS
Consumers can currently access Allstate-branded property-liability products through Allstate agencies, contact centers and online. Access is being expanded to enable consumers to move between channels more easily so we no longer need both the Allstate and Esurance brands for direct sales. Esurance will be integrated into Allstate later in 2020.

IMPROVE CUSTOMER VALUE
Property-liability products are being redesigned to be simple, affordable and connected. Affordability will be improved by using centralized service capabilities and reducing expenses. Connectivity will be expanded through improved mobile access, telematics and increased communication.

INCREASE INVESTMENTS IN MARKETING AND TECHNOLOGY
We will increase Allstate brand marketing investments and reallocate Esurance spending to the Allstate brand. New technology ecosystems are being built to support increased connectivity, new products and operational adaptability.
Expanding the circle of protection

“...We offer customers a circle of protection that includes everything from workplace benefits and commercial insurance to life insurance and identity protection.”

DON CIVGIN
VICE CHAIR, THE ALLSTATE CORPORATION

Allstate is in the business of providing peace of mind. While we are best known for auto and home insurance, we provide a wide range of protection to customers. We offer innovative products and services for today’s connected consumer.

- Allstate Life leverages technology and data and analytics to meet the life and retirement needs of consumers.
- Allstate Benefits provides customers financial protection through the workplace in case of accident, illness or death. It is among the leaders in the growing voluntary benefits market and helps fill increasing coverage gaps for employees.
- Allstate Protection Plans, formerly known as SquareTrade, covers consumer goods like cellphones, tablets, computers and appliances. It has a leading position in distribution through major U.S. retailers and is expanding in Europe.
- Allstate Business Insurance provides protection to small businesses. It is rapidly expanding by providing protection to shared economy companies.
- Allstate Identity Protection is reinventing privacy and identity protection by giving people the tools to see, control and protect their digital lives. Our team helps them fully restore their identity if they are hacked.
- Arity is a mobility data and analytics company that turns billions of miles of driving data into predictive insights to make transportation safer and improve the accuracy of auto insurance pricing.
- Avail is a peer-to-peer car-sharing platform that we created to help owners and users economically benefit by improving car utilization.
Investing for the future

Allstate executes well-considered decisions with precision and speed. We act with confidence and do not settle for complacency.

JOHN DUGENSKE
PRESIDENT, INVESTMENTS AND FINANCIAL PRODUCTS

The return on our investment portfolio is an important component of our ability to offer good value to customers, fund business improvements and create value for shareholders.

In 2019, the $88 billion portfolio generated $3.2 billion of net investment income, reflecting higher market-based portfolio yields offset by lower performance-based results. Total return on the portfolio was 9.2%, reflecting increased valuation of fixed-income investments and public equities.

ALLSTATE USES TWO PRIMARY STRATEGIES IN OUR PORTFOLIO

- The market-based strategy includes investments primarily in public fixed-income and equity securities. It seeks to deliver predictable earnings aligned to business needs and take advantage of short-term opportunities.

- The performance-based strategy aims to provide attractive risk-adjusted returns and supplement market risk with idiosyncratic risk. The portfolio, which primarily includes private equity and real estate, with a majority being limited partnerships, is broadly diversified by geography, sectors and partners, as well as asset type.

ALLSTATE INVESTMENTS HAS THREE PRIORITIES

- Enhance investment portfolio returns through the use of a dynamic capital allocation framework and a focus on tax efficiency.

- Invest for specific needs and characteristics of Allstate’s businesses, including its corresponding liability profile.

- Leverage our broad capabilities to shift the portfolio mix to earn higher risk-adjusted returns on capital.

ALLSTATE INVESTS RESPONSIBLY

- Allstate has roughly $900 million invested in socially responsible strategies, like a low-income housing tax credit portfolio and a Diversity and Emerging Managers program.

- The company manages these investments to produce solid returns and meet business objectives, while advancing the social goals of environmental protection, homeownership, community development and opportunities for diverse talent.

<table>
<thead>
<tr>
<th>9.2%</th>
<th>3.7%</th>
<th>5.5%</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL PORTFOLIO RETURN IN 2019</td>
<td>NET INVESTMENT INCOME CONTRIBUTION</td>
<td>FIXED-INCOME AND EQUITY VALUATION CONTRIBUTION</td>
</tr>
</tbody>
</table>
Addressing climate change and the environment

Climate change has a broad impact on Allstate’s business. Understanding weather exposure and underlying trends is important for the property protection products we provide to customers.

- Allstate adapts to changes in weather and helps develop solutions for uninsurable risk. We use reinsurance and third-party products to continue providing protection to customers.
- A risk evaluation framework is in place to identify and monitor business risks related to climate change.
- Increased severe weather has raised loss costs for homeowners insurance, requiring changes in pricing, product coverages, underwriting practices and reinsurance utilization. Over the last 15 years, it has also led us to reduce our number of homeowners policies, which negatively impacts sales growth of both homeowners and auto insurance.
- Material risks, including those affected by climate, are regularly identified, measured, managed, monitored and reported to senior management and the Board.
- Risk is evaluated in six key areas: insurance, investments, financial, operational, culture and strategic execution. The effects of climate change, including catastrophes and severe weather events, are included in several of these areas.
- Allstate Investments has a Responsible Investing Committee to monitor ESG (Environmental, Social and Governance) investing and continually evaluate our ESG practices.

Allstate has advocated for addressing the impacts of climate change over the last 25 years. At the state level, we have helped strengthen building codes, enhance emergency response capabilities and create catastrophe insurance pools.

JESS MERTEN
EXECUTIVE VICE PRESIDENT,
CHIEF RISK OFFICER

AMERICA’S RISK IS INCREASING
- Median U.S. home size increased 55% from 1975 to 2018.
- Housing units in Dallas, for example, increased 230% over the same period.

4X
THE SAME TORNADO OR HAILSTORM COULD RESULT IN AN OVERALL LOSS EXPOSURE THAT IS 4X GREATER THAN IT WAS 40+ YEARS AGO.
Doing the right thing

"At Allstate, everyone has an obligation to ask questions, raise concerns and report violations of our Global Code of Business Conduct. We demonstrate these values when we engage with regulators and legislators to fulfill Our Shared Purpose."

SUSIE LEES
EXECUTIVE VICE PRESIDENT, CHIEF LEGAL OFFICER, GENERAL COUNSEL AND SECRETARY

We have a history of strong corporate governance guided by the principles of dialogue, transparency and responsiveness. The Board continually enhances governance policies and was given a top rating by a proxy advisory organization.

Allstate engages in regulatory and political processes to ensure we meet the needs of customers and shareholders.

We engage in public policy advocacy at the state and federal levels to foster market innovation, fight for consumers, promote safety and security, ensure a healthy regulatory system, promote fiscal responsibility and advocate for small businesses.

The chief risk officer’s assessment of Allstate’s political engagement reached three key conclusions:

- Allstate’s decisions on how to engage in the political process appropriately balance risk and return.
- Our control framework appropriately manages the risks, and Board governance ensures activities are aligned with Allstate’s risk and return principles. The Board’s nominating and governance committee oversees political contributions and activities, including in a joint session with the Board.
- Failure to engage in the political process could result in unfavorable policies and legislation or adverse business outcomes, negatively impacting Allstate’s strategic position.

The Allstate Global Code of Business Conduct contains the values and principles of The Allstate Corporation and subsidiaries. Employees are required to affirm understanding and compliance with the code, including political activities, and officers are required to identify political activity semiannually.

- In 2019, 100% of our employees completed ethics and compliance training on our Global Code of Business Conduct during the annual compliance confirmation process.
- The 2019 Integrity Index measures the ethical health of our corporate culture, and our results consistently score above external benchmarks.
Embracing inclusive diversity

“Creating opportunities for our employees to thrive is critical to our success. This starts with attracting a diverse workforce that embraces our purpose-driven culture.”

CARRIE BLAIR
EXECUTIVE VICE PRESIDENT, CHIEF HUMAN RESOURCES OFFICER

2019 EMPLOYEE DIVERSITY

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>55.7%</td>
</tr>
<tr>
<td>Minority</td>
<td>37.4%</td>
</tr>
<tr>
<td>African-American</td>
<td>17.7%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>11.1%</td>
</tr>
<tr>
<td>Asian/Pacific Islander</td>
<td>5.9%</td>
</tr>
<tr>
<td>Native American</td>
<td>0.3%</td>
</tr>
<tr>
<td>Two or more races</td>
<td>2.3%</td>
</tr>
</tbody>
</table>

2019 LEADERSHIP DIVERSITY

<table>
<thead>
<tr>
<th>Role</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board of Directors</td>
<td>50.0%</td>
</tr>
<tr>
<td>Officers</td>
<td>39.0%</td>
</tr>
<tr>
<td>Managers</td>
<td>57.0%</td>
</tr>
</tbody>
</table>

- We have 11 Employee Resource Groups with over 15,300 members that provide training and education to self-identified employee communities.
- 11,893 courses in inclusive diversity were completed in 2019.

In 2019, we expanded our pay equity analysis by using an external consultant to supplement internal analytics presented to the Board that identify policies, practices or systemic issues that may contribute to pay gaps. Allstate compared favorably to similar companies. In the few employee groups where gaps were identified, Allstate established adjustment plans to ensure pay equity.

Allstate defines culture as a self-sustaining system of shared values, principles and priorities that shapes beliefs, drives behavior and influences decision-making within an organization.

Culture was elevated to one of six key risk categories overseen by the Board. Our Shared Purpose is the foundation on which Allstate’s culture is built. The Transformative Growth Plan requires us to put even more focus on customers, empowerment and operational excellence.
Empowering every employee to lead and drive change

“...At Allstate, we challenge ourselves to find our purpose, get out of our comfort zone, try new things, question convention and seek out different perspectives.”

MARY JANE FORTIN
PRESIDENT, FINANCIAL PRODUCTS

Purpose-driven companies are powered by purpose-driven people. Through our collective power, we harness our diverse talent to better serve customers and shareholders and make the world a better place.

**TOTAL ALLSTATE EMPLOYEE SURVEY SCORES**

<table>
<thead>
<tr>
<th></th>
<th>2019 Inspire Culture*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engagement (favorability)</td>
<td>84%</td>
</tr>
<tr>
<td>I believe strongly in Allstate’s Shared Purpose</td>
<td>89%</td>
</tr>
</tbody>
</table>

*The Inspire Culture survey is one of two biannual engagement surveys that make up Allstate’s “employee listening strategy.”

- 5,889 employees received performance-based bonuses.
- More than 44,000 employees completed 391,000 hours of learning in 2019.
- We retained 85% of our employees.
- Allstate invests in ongoing education, contributing $3.7 million in tuition reimbursement.
- Through a partnership with Northwestern University, 4,532 leaders across Allstate participated in a data and analytics training program to increase evidence-based decision-making.

- Energy for Life (EFL) enables Allstaters to articulate and pursue their individual purpose. This creates more personal energy and engages them in Allstate’s purpose. In 2019, 5,092 Allstaters completed EFL, and almost 37,000 have taken it since 2010, including 44% of active employees and 57% of active managers.

**ENERGY FOR LIFE PARTICIPANTS**

<table>
<thead>
<tr>
<th>Year</th>
<th>Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>5,092</td>
</tr>
<tr>
<td>2018</td>
<td>4,631</td>
</tr>
<tr>
<td>2017</td>
<td>3,548</td>
</tr>
<tr>
<td>2016</td>
<td>3,198</td>
</tr>
<tr>
<td>2015</td>
<td>2,928</td>
</tr>
</tbody>
</table>
Building stronger communities

One of the roles of business is to strengthen communities, so they can prosper. Allstaters take a stand to empower youth, uplift and educate survivors of domestic violence and support the communities where we live and work.

COMMUNITY ENGAGEMENT
- 15,956 nonprofit organizations benefited from employee and agency force giving and volunteering in 2019.
- Employee and agency owner volunteerism: 207,000 hours.
- 66% of the agency force served as community leaders by donating their time, expertise or charitable resources.
- The Allstate Foundation and corporate giving: $39 million.

YOUTH EMPOWERMENT
- Number of youth empowered by The Allstate Foundation: 14 million.
- Number of schools involved in WE Schools: 6,926 (+18%).
- Investment in social and emotional learning programs for youth: $10 million.

DOMESTIC VIOLENCE
- Number of domestic violence survivors who received financial education from The Allstate Foundation: 55,000.

INVESTING WITH PURPOSE
- Purchases of municipal bonds by Allstate’s portfolio: $3.08 billion.
- Purchases of federal low-income tax credits: $281 million.
- Spending with diverse suppliers: $311 million, 7% of total supplier spending.
Prosperity Report

Honors and recognition

“...Allstate is recognized as an employer of choice and as a corporate champion for leadership in ethics, diversity, innovation and corporate responsibility. We are proud to be listed as a great place to work by several independent organizations, and will continue to invest in our people.”

SUREN GUPTA
EXECUTIVE VICE PRESIDENT, CHIEF INFORMATION TECHNOLOGY AND ENTERPRISE SERVICES OFFICER

People want companies to be better. To take risks for the greater good simply because it’s the right thing to do. To make sure each new culture shift and tech innovation makes their lives not just different, but better.

Leadership

THE WALL STREET JOURNAL/DRUCKER INSTITUTE
Management Top 250: Best-Managed Companies (No. 24, up 15 spots from 2018)
Top scores in Innovation and Social Responsibility

DOW JONES SUSTAINABILITY INDEX
Member, North American Index (2018, 2019)

ETHISPHERE
World’s Most Ethical Companies (2015–20)

FORTUNE
World’s Most Admired Companies (2020)

POINTS OF LIGHT
The Civic 50 (2018, 2019)

NEWSWEEK
Most Responsible Companies (2020)

Workforce

DIVERSITYINC
Top 50 Companies for Diversity (2019, 16-time honoree)

HUMAN RIGHTS CAMPAIGN FOUNDATION
Corporate Equality Index (2009–20)

FORBES
America’s Best Employers for Diversity (2020)
America’s Best Employers for Women (2019)

MILITARY FRIENDLY COMPANY
Military Friendly Employer (No. 1 in 2020, 4-time honoree)