CLIMATE CHANGE STATEMENT

Last updated May 2018

Allstate understands that climate change will likely exacerbate the frequency and severity of natural catastrophes. The increased frequency and severity of weather events and natural catastrophes affect the cost and number of claims submitted by our customers. Associated rate increases can also impact the Allstate customer experience and our reputation. Our success depends, in part, on our ability to properly model, price and manage climate-related risks, as well as develop products and services to address climate change.

In 2017, Allstate continued its efforts to assess and refine its exposure management, pricing, modeling, and underwriting practices related to climate risks. Some of Allstate's initiatives included:

+ Strengthening its catastrophe response and risk management programs through technology such as drone usage, QuickFoto Claim®, and Mobile Claims Centers, which expedited Allstate's catastrophe response.
+ Addressing the risk of loss from catastrophes by continuing to purchase reinsurance for specific states and countrywide for its personal lines property insurance.
+ Active participation in shaping federal legislation for the Write Your Own Flood Insurance Program.
+ Being selective with personal homeowners' insurance new business underwritings in certain coastal areas, as well as other deductibles or exclusions where appropriate.
+ Assisting customers in mitigating their carbon footprint through an endorsement that allows customers to replace covered, damaged, or destroyed items with more energy efficient ones.

To learn more about Allstate's management of climate risk and other extra-financial material topics, visit our 2017 Sustainability Report.