

# KNOWLEDGE, *APPLIED*



2012 CORPORATE RESPONSIBILITY REPORT

# WE APPLY OUR KNOWLEDGE TO HELP PROTECT PEOPLE FROM LIFE'S UNCERTAINTIES AND PREPARE THEM FOR THE FUTURE.

*We do this by working to improve the quality of life in our communities; understanding and responding to the expectations of customers, employees, agency owners and other stakeholders; reducing our environmental footprint; and upholding our good image.*

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## Message from the CEO

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Allstate's responsibility to improve local communities is central to our purpose to protect people from life's uncertainties and prepare them for the future. It is fully integrated into our daily business activities and supported by more than \$29 million in donations to important causes and by thousands of volunteers. We do this because it is who we are, what we believe and what we expect from each other.

Our corporate responsibility successes in 2012 build on more than 80 years of leadership in giving back to communities where we live and work. We tackle difficult issues, ranging from the 4,000 teens who die needlessly in motor vehicle crashes each year to helping victims of domestic violence escape abuse. We value a diverse workplace that leverages differences to strengthen innovation and creativity. We take great pride in mitigating our impact on the environment by reducing our energy, water, waste and paper use. It is these actions, and many more, that demonstrate our desire to bring out the good in people's lives, across the country and across the globe.

Our commitment to corporate responsibility not only reflects the respect we have for our customers, it also energizes our employees and local Allstate agency owners. Community service opportunities reward our people with personal growth and the chance to lead by example. Allstate agency owners support and volunteer with thousands of nonprofits in virtually every local community. Allstate employees build houses, serve food, educate, and console people in need. Every day, Allstaters are making decisions, taking action and leading in ways that enable us to be a team of heroes to our customers and in our communities.

This year's report has many inspiring stories of Allstaters applying their knowledge, expertise and personal passion to make a difference. I am particularly proud of the involvement and sacrifices made by employees and agency owners and their staffs in times of crisis. For example, after the East Coast was hit by Superstorm Sandy, thousands of our employees and agency owners worked around the clock in difficult conditions to help customers find places to live and clothes to wear, connect with loved ones, and assess their damage.

To help accelerate recovery efforts, Allstate and The Allstate Foundation also created a \$1 million fund to support local nonprofits in areas affected by Sandy. Disasters, however, don't always happen in bulk. Allstate is there for individual disasters as well — home fires, car accidents and life's other unexpected challenges. Quite simply, Allstate is a company full of heroes!

I am filled with pride by what we accomplish with talented people and the resources of a large and successful company. Please take the time to visit our interactive website filled with stories that demonstrate how Allstate lives its promise to society. As one of America's largest Main Street institutions, we are grateful for the trust placed in Allstate by those we serve. Together with our agency owners, employees and community partners across the country, Allstate will continue to build a better future.

A handwritten signature in black ink that reads "Tom Wilson".

**THOMAS J. WILSON**, CHAIRMAN, PRESIDENT  
AND CHIEF EXECUTIVE OFFICER



## Message from the CRO

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### “Good Hands® People Apply Their Knowledge to Build a Better Future”

Allstate is committed to bringing out the good in people's lives. That commitment is fundamental to our corporate vision and drives us as employees and agency owners.

Our story began more than 80 years ago, when corporate responsibility simply meant our values — caring for, investing in and protecting the communities where we live, work and serve. What started as an innate desire to be a responsible corporate citizen evolved into a passionate, ambitious and coordinated effort to create meaningful impact in communities across the country. We achieve this through strategic **stakeholder engagement, responsible business practices, environmental stewardship** and innovative **social impact** initiatives.

Our theme for this report, *Knowledge, Applied*, was inspired by our thousands of deeply committed and engaged employees and agency owners. Every day, they turn information, ideas and expertise into products and services that improve people's lives. Using our knowledge for good is expressed in many stories throughout the report — from promoting resilient home construction, safer driving and financial literacy to rooting out insurance fraud and reducing our use of natural resources. In these ways, we support the sustainability of our business and those whose lives we have the privilege to touch.

## COMMUNITY INVOLVEMENT AND SOCIAL IMPACT

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In 2012, The Allstate Foundation, Allstate, our employees and agency owners contributed more than \$29 million to communities. Together, we served more than 200,000 volunteer hours, fueled in part by the launch of our first companywide Week of Service in August 2012. During the week, more than 2,600 employees and agency owners completed 290 projects and logged 10,000 hours of service.

We also made steady progress on our long-term quests to improve the safety of teens on the road and empower domestic abuse survivors. For example, last year The Allstate Foundation reached 7.2 million teens through peer-to-peer activism programs, contests and projects, as well as teen-specific media, and involved more than 1.3 million people in programs that promote teen safe driving. Teen crash fatalities have decreased by nearly 40 percent since 2008, and we are on track to reduce teen driving fatalities by 50 percent and create the safest generation of teen drivers by 2015.

Last year, we also provided more than \$1 million in critically needed funding to state domestic violence coalitions through our Moving Ahead Through Financial Empowerment Grant Program, in partnership with the National Network to End Domestic Violence. In addition, we raised more than \$250,000 in funding for YWCAs through our award-winning Purple Purse awareness program. To date, our work with domestic violence survivors has enabled more than 215,000 women and their children to get free and stay free from abuse.

## BUSINESS PRACTICES

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We believe transparent governance and accountability build trust, strengthen relationships with stakeholders and simply make us a better company. Elevating the standards for business practices involves continual reassessment of the environment in which we operate, adjusting our goals and creating initiatives that are important to all stakeholders.

To that end, we focus on socially responsible investing, diversity and advocacy. A portion of our multibillion-dollar investment portfolio is targeted toward low-income communities. Since starting the effort several years ago through 2012, we have financed more than 61,000 units of affordable housing.

Our diversity initiatives cultivate inclusion among Allstate employees, agency owners and suppliers. It is a core Allstate value that energizes employees, improves innovation and drives growth. In 2012, our efforts were

recognized by the company being ranked 37th on *DiversityInc's* Top 50 Companies for Diversity list.

We use our leadership position to advocate key issues that affect our industry, the people we serve and the places they live — such as driver safety and programs that will better prepare America to recover from catastrophes. In 2012, we also placed a spotlight on the challenge of insurance fraud. In this report, you'll read how Allstate leads the fight with more than 500 insurance fraud specialists who apply their vast knowledge to identify suspicious activities, analyze questionable claims and prevent fraudulent payouts. It is important work, as fraud contributes to higher insurance premiums for everyone.

#### ENVIRONMENTAL STEWARDSHIP

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While Allstate's operations have a much lower impact on the environment than those of an industrial or manufacturing company, we are very conscious of our carbon footprint and continually strive to reduce it. Our environmental stewardship goals integrate sustainability measures across Allstate operations and include reducing paper and energy use, and controlling carbon emissions.

In 2012, we decreased our overall energy use by 5.2 percent. Since establishing our energy use baseline in 2007, we've achieved a cumulative energy reduction of nearly 9 percent, bringing us nearly half way to our goal of reducing energy use by 20 percent by 2020. Simple energy-reduction initiatives like modifying the schedule of parking lot lights and changing the cleaning schedule at our Home Office complex in Northbrook, IL, proved highly effective in 2012.

We also maintained strong momentum in the area of paper reduction. Our employees use less office paper in their daily work, and we continue to reduce the amount of paper we send to Allstate's customers — allowing us to have surpassed our internal and external paper-reduction goals for 2012. We responsibly disposed of much of the paper we did use, recycling nearly 4.25 million pounds through desk-side recycling as well as press-waste from our main printing facility.

#### STAKEHOLDERS

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The positive impact we deliver is only possible with the support and active engagement of our stakeholders. Understanding and responding to the expectations of customers, employees, agency owners and others is essential to our success.

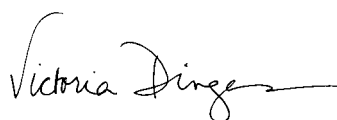
Allstate serves nearly 16 million households across the U.S. and Canada. We use the knowledge we've gained over the years to help our customers recover from unexpected losses — and prevent losses from happening in the first place. From showing customers how to help prevent fires to helping them prepare for hurricanes and tornadoes, we work as consumer advocates, not just as an insurance company.

That was especially true in 2012, when thousands of our customers along the U.S. East Coast were hit by Superstorm Sandy. During the height of our response, Allstate's National Catastrophe Team dedicated more than 4,000 claims personnel and two dozen mobile claim vehicles to assist policyholders with claim needs. Our comprehensive, orchestrated response to the storm enabled Allstate to fully process 98 percent of all Sandy-related claims within five months.

We know engaged employees help us deliver a better customer experience. Each year, we conduct a voluntary and confidential survey called VOICE that measures employee perceptions and satisfaction. According to our 2012 survey, 90 percent of Allstate employees considered themselves "proud" to work for Allstate, a 3 percent increase compared to 2011.

Likewise, our relationship with Allstate's more than 9,300 exclusive agency owners and exclusive financial specialists is vital to our company's success and to our ability to serve customers. In 2012, our annual Agency Relationship Survey found that overall satisfaction increased by 6 points among exclusive agencies and by 11 points among exclusive financial specialists. By regularly seeking feedback from and dialogue with agency owners and their staff, we more effectively address their concerns and better enable their success as small business owners.

These are just a few of the ways we make "corporate responsibility" a way of life at Allstate. I encourage you to read the stories in this report to learn more about how we're applying our knowledge for good. We also encourage you to share comments and suggestions by writing to [SocialResponsibilityFeedback@allstate.com](mailto:SocialResponsibilityFeedback@allstate.com).



**VICTORIA DINGES**  
VICE PRESIDENT, CORPORATE RESPONSIBILITY

# KEY PERFORMANCE INDICATORS AND GOALS

*Our Key Performance Indicators reflect our sustainability and social impact priorities. This update shows where we achieved strong results in 2012 and where we are striving to improve. (See historical KPI and goal information [here](#).)*

GOAL	PROGRESS
<b>BUSINESS PRACTICES</b>	
<b>EMPLOYEE DIVERSITY</b>	
Earn a spot on The DiversityInc Top 50 Companies for Diversity® list on an annual basis.	In 2012, we were ranked 37th on this list, up six spots from 2011.
<b>SUPPLIER DIVERSITY</b>	
Achieve 9% of Allstate's total procurement spend with businesses owned by minorities, women, veterans and members of the lesbian, gay, bisexual and transgender community by 2015.	In 2012, 6.6% of our total supplier spend was with diverse suppliers, putting us on track to achieve our long-term goal.
<b>ENVIRONMENT</b>	
<b>CARBON FOOTPRINT</b>	
Maintain or reduce Allstate's carbon footprint on an annual basis.	In 2012, we reduced greenhouse gas emissions by 3.12% compared to 2011; we have achieved a total reduction of 21.79% since 2007.
<b>EMPLOYEE FOCUS</b>	
Maintain or exceed the paper-reduction levels established in 2010.	We surpassed our 2009 goal to reduce overall internal employee-use office paper by 25% by 2010. In 2012, we reduced paper use by 12.08% compared to 2011.
<b>ENERGY REDUCTION</b>	
Reduce energy use by 20% by 2020 for Allstate-owned facilities (compared with our 2007 baseline).	In 2012, we reduced our energy consumption by 5.2% compared to 2011; we have achieved a total reduction of 8.91% since 2007.





## GOAL

## PROGRESS

### ENVIRONMENT

#### REAL ESTATE

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

Achieved.

#### PAPER REDUCTION — CUSTOMER FOCUS

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

In 2012, we surpassed our goal of reducing paper delivery to customers by 20% by 2013 through the use of convenient, cost-effective and environmentally friendly billing options such as EZPay, eBill and ePolicy.

### SOCIAL IMPACT

#### TEEN SAFE DRIVING

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

We are on track to achieve our 2015 target.

#### FINANCIAL EMPOWERMENT FOR DOMESTIC VIOLENCE SURVIVORS

Reach 500,000 survivors of domestic violence with The Allstate Foundation-funded financial empowerment services by 2015.

In 2012, more than 103,000 survivors received financial empowerment services through The Allstate Foundation program. We are on pace to achieve our 2015 target.

# STAKEHOLDERS

*The good work we do is possible only with the support and active engagement of our stakeholders. Understanding and responding to the expectations of customers, employees, agency owners and others is essential to our success.*

## Customers

From the types of vehicles they own, to the levels of coverage they want, to how they prefer to receive advice and assistance, each customer is different. We serve these distinct customer segments with differentiated offerings and enable them to do business with Allstate when, where and how they choose.





## Helping Allstate Customers in Time of Crisis

Even before Superstorm Sandy crashed ashore along the New Jersey coast on October 29, 2012, Allstate's National Catastrophe Team (NCT) had dedicated 1,100 Claims personnel to respond to the damage the storm would inevitably cause. At the height of its response, the NCT dedicated more than 4,000 claims personnel and two dozen mobile claim vehicles to assist policyholders with claim needs. Our comprehensive, orchestrated response to the storm enabled Allstate to fully process 98 percent of all Sandy-related claims within five months.



During the storm's aftermath, Allstate Senior Claims Service Adjuster Jared Stock approached the home of an Allstate customer in Islip, NY. The customer was overwhelmed by downed trees in her backyard and the challenge of caring for her 91-year-old mother without electricity. The power outage had forced her local agency office to close and she had been unable to call Allstate because there was no cell phone service. "We filed her claim right in her backyard," Stock said.

*I gave her my card and explained she should be contacted within five days — if not, call me. She gave me a hug and said, 'This is why I have Allstate.' I didn't have the words then, but I would have told her: This is why I love my job.*

**Jared Stock**, Senior Claims Service Adjuster



## Employees

Each year we conduct an annual voluntary and confidential survey called VOICE that measures how well employee perceptions and behaviors align with the values of Our Shared Vision. According to our 2012 survey, 90 percent of Allstate employees considered themselves "proud" to work for Allstate, a 3 percent increase compared to 2011. In addition, 91 percent of employees agreed with the statement, "My team has a climate in which diverse perspectives are valued."

We took advantage of the recent real estate consolidation at our Northbrook Home Office campus to completely renovate work spaces with a goal of creating a more collaborative, contemporary working environment. A survey of relocated employees indicates that the new space is having the intended effect: more than 80 percent of respondents feel that the work environment facilitates collaboration and communication among employees.

Through our Good Life program, we offer Allstate employees resources in becoming physically energized, emotionally connected, mentally focused and financially strong. In 2012, those resources included the opening of two new on-site Wellness Centers, in Illinois and Texas. As a result of efforts such as these, last year 90 percent of employees agreed with the statement, "At work, I'm encouraged to pursue healthy habits that will improve my overall well-being."

## Allstate Agency Owners

Our relationship with Allstate's more than 9,300 exclusive agency owners and exclusive financial specialists is vital to our company's success and to our ability to serve customers. In 2012, our annual Agency Relationship Survey found that overall satisfaction increased by 6 points among exclusive agencies and by 11 points among exclusive financial specialists.

Among Allstate agency owners, more than 23 percent are women and nearly 20 percent are minorities. We actively promote a greater agency presence in areas with fast-growing multicultural populations.

# BUSINESS PRACTICES

*Throughout our business, we seek to deliver results by applying the knowledge we've gained through our collective history. We act with integrity to earn — and maintain — the trust of our customers, employees, agency owners, suppliers, investors, policyholders and the general public. We work to uphold the reputation that we have built over the past 80 years, and we insist on strong ethical practices in the ways we invest and manage our assets, monitor our own risks, and work with our partners and suppliers.*

## *Enhancements to Allstate Claims Service*

Allstate processes some 6 million claims a year and nearly half of the company's employees are dedicated to claims activities. Because of the vital importance of our claims service to our customers, we are continually developing new approaches to make the process better and more efficient for them.



## *Fighting Insurance Fraud*

We employ more than 500 insurance fraud specialists who apply a vast amount of knowledge to proactively flag suspicious activities, analyze questionable claims and prevent fraudulent payouts. Through the use of innovative technologies and network analysis tools, we can detect and help stop these crimes before they harm our customers and their premiums. We also work with the National Insurance Crime Bureau (NICB) and local, state and federal law enforcement agencies to help identify, detect and prosecute insurance criminals.

## Investment and Asset Management

Ensuring that we fulfill our commitment to our customers, employees and shareholders means making sound investment decisions that position us to deliver the services and value these stakeholders expect. Our investment strategy focuses on security for today and growth for tomorrow.

We make significant contributions to the communities in which we live and work to make our neighborhoods and our nation better and safer places to live. As of year-end 2012, Allstate had made **financial commitments of \$780 million to projects developed through Low-Income Housing Tax Credits (LIHTC)**, a federal program that provides federal tax incentives to develop or rehabilitate affordable housing for low-income families, seniors and individuals with disabilities. Our investments have helped develop 743 affordable housing complexes with more than 60,000 apartment units across the United States while providing solid investment returns. We also invest in communities through a number of other organizations, including the Local Initiatives Support Corporation (LISC).



## Supply Chain Sustainability

While the environmental and social impacts and risks in our supply chain are relatively small compared to those of industrial or manufacturing companies, we require our suppliers to adhere to the same strict standards that we set for ourselves.

## Supplier Diversity

Small and diverse businesses generate economic growth, jobs, training and innovation. In 2012, Allstate spent **\$304 million with 2,224 businesses owned by minorities, women, veterans, or members of the LGBT community**. This represents 6.6 percent of total supplier spend. Our goal is to increase this percentage to 9 percent by 2015.

*Buff & Go Inc. has grown tremendously since partnering with Allstate's Supplier Diversity Program. Not only has our client base expanded, but we also increased our ability to add talented individuals to our staff. Allstate provides a great deal of support in helping our organization focus on how to better serve our client base. As a result, we're able to make better use of our available resources and create programs that make it easier for us to attract and retain clients.*

*The Supplier Diversity Program provides tremendous value to partnering organizations and the community at large. I would encourage more firms to get involved and explore opportunities to advance their business. Allstate is a great corporate model for supplier diversity!*

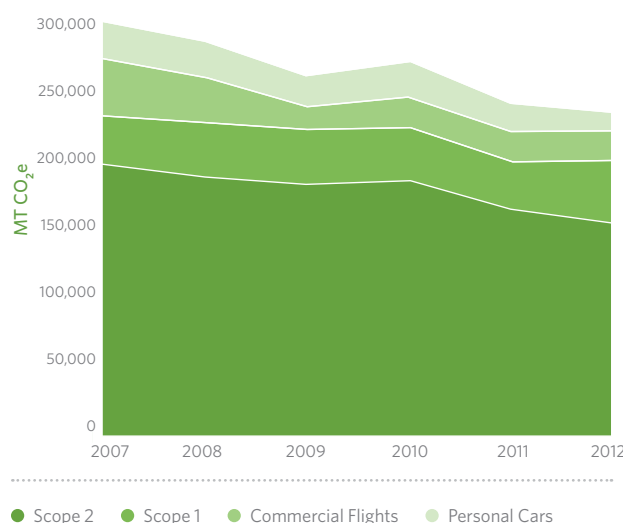
**Leatrice Woody, Owner, Buff & Go Inc.**



# ENVIRONMENT

*While Allstate's operations have a much lower impact on the environment than those of an industrial or manufacturing company, we are very conscious of our footprint and continually strive to apply our knowledge to decrease it.*

## GREENHOUSE GAS EMISSIONS



## Energy and Climate

In 2012, we decreased our overall energy use by 5.2 percent, representing a total 8.91 percent reduction from our 2007 baseline. We also achieved our carbon footprint goal by reducing our GHG emissions by 3.12 percent over the prior year, or a total 21.79 percent reduction since 2007. In 2012, we implemented two innovative energy-reduction initiatives:

**PARKING-LOT LIGHTS** By modifying the schedule of the parking-lot lights at our Home Office in Northbrook, IL, we are reducing our annual energy consumption by 215,000 kWh, while still providing adequate lighting in the parking lots.

**DAYTIME CLEANING** Making changes in the cleaning schedule at our Home Office is expected to reduce annual energy consumption by up to 1,735,000 kWh and save as much as \$95,000 per year.



## A Focus on Green Buildings

Allstate is a member of the **U.S. Green Building Council** (USGBC) and participates in its **Leadership in Energy and Environmental Design** (LEED) program. In 2012, interior construction of our Chubbuck-Pocatello call-in center achieved LEED Gold certification, and the F Tower building at our Home Office campus achieved LEED certification for the renovation of floors 7-9.

## Waste Management and Recycling

We work to minimize the amount of waste generated by our operations and have extensive programs to recycle as much waste as possible. In 2012, our recycling efforts included:

**Recycling nearly 4.25 million pounds of paper** through desk-side recycling and press-waste recycling from our main company print facility

**Recycling 4,605 pounds of aluminum cans and 9,135 pounds of polyethylene terephthalate (PET) bottles** from our Home Office campus

**Installing 53 new water-filtration bottle-refilling stations**, eliminating 816,420 plastic water bottles

## Reducing Paper Use

By implementing changes in the way employees use paper, we have reduced paper use by 16.8 percent from 2010 levels. This represents a 31.16 percent reduction at our corporate headquarters and a 12.07 percent reduction in our field offices. We are also focused on reducing the amount of paper used to communicate with Allstate's customers and have reduced customer paper use by 27 percent of 2009 levels, surpassing our goal of reducing paper use by 20 percent by 2013.

## Reducing Water Use

We have established programs to reduce water consumption, identify water-saving opportunities and install water-saving devices where appropriate. In 2012, these measures enabled us to limit the increase in water consumption at our Home Office to 15 percent, despite increasing the employee population by 30 percent.





# SOCIAL IMPACT

*Our business is focused on individuals, families and the communities where they live. Our combined corporate and Foundation efforts emphasize areas where we have special expertise and significant resources: domestic violence, teen safe driving and natural catastrophe preparedness.*



## THE ALLSTATE FOUNDATION BY THE NUMBERS, 2012:

10,358

Number of Allstate employees, agency owners and their staff involved with Foundation programs

1,359

Number of U.S. cities actively supported through the Foundation

45%

Percentage of funding focused on diverse communities

**DOMESTIC VIOLENCE:** We empower domestic violence survivors by providing them with the financial knowledge and resources they need to live and thrive free from abuse. In 2012, we helped Rhode Island resident Kathleen Taylor start a nonprofit organization called **Healthy Families Initiative** (HFI) that aims to eradicate domestic abuse in the local Muslim community. Last year, we also provided more than \$1 million in critically needed funding to state domestic violence coalitions through our **Moving Ahead Financial Empowerment Grant Program**, in partnership with the **National Network to End Domestic Violence**.

## Community Involvement

In 2012, we supported community programs with thousands of volunteers and contributions from agency owners, employees, Allstate and The Allstate Foundation totaling more than \$29 million.

**TEEN SAFE DRIVING** In 2012, we reached 7.2 million teens through teen-to-teen activism programs, contests, projects and teen-specific media. The Allstate Foundation works to help teens be safer drivers through a program called **Act Out Loud**. Designed to address a variety of dangerous driving behaviors, it encourages peer-led, school-based youth traffic safety activities and gives teens a chance to compete for awards totaling more than \$270,000 for their schools.

**NATURAL CATASTROPHE PREPAREDNESS** We recognize the important role we play in helping customers and communities prepare for natural catastrophes, and actively support a range of collaborations aimed at building more resilient communities. As a founding member, we work closely with [ProtectingAmerica.org](http://ProtectingAmerica.org) to educate people living in high-risk areas. We also provide tips for how people can prepare for and recover from various catastrophe-related events on [Allstate.com](http://Allstate.com).



Last year, more than 2,600 employees and agency owners — along with their friends and families — participated in Allstate's first-ever **Week of Service**. Volunteers completed 290 projects and logged 10,000 hours of service throughout the week, and Allstate awarded \$78,000 in Challenge Grants to 156 of the benefiting nonprofits.

In 2012, we made **corporate contributions totaling \$4.5 million in the Chicago area**. We were lead sponsor for citywide initiatives, including the Chicago Cultural Plan 2012, the Chicago Children's Humanities Festival, and "One Book, One Chicago." We also underwrote major museum exhibits and multicultural programming. Finally, we made a \$5 million commitment to serve as a lead funder of Chicago's new public-private **Get In Chicago** campaign to reduce violent crime and improve the safety and vitality of neighborhoods throughout the city.

## Advocacy

Since 2008, an average of 3,400 teens have been killed in car crashes in the United States annually. Allstate has long been a passionate advocate for efforts to prevent these fatalities. We were a lead supporter of the **Safe Teen and Novice Driver Uniform Protection (STANDUP) Act**, a federal bill designed to save lives by encouraging the adoption of optimal graduated driver-licensing standards for individual states to implement in their own teen driving laws.

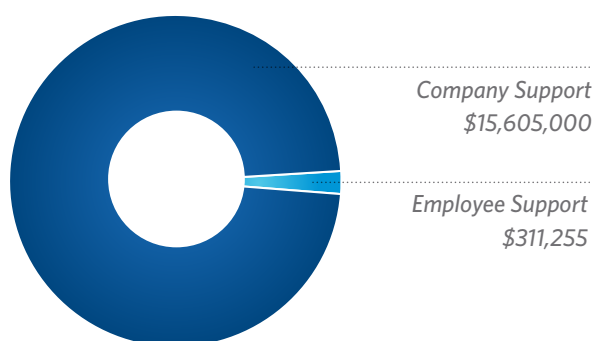


# PUBLIC POLICY

## Corporate Involvement in Public Policy

Allstate is actively involved in the public policy process at the state and federal levels. As part of our public policy effort, the company supports various organizations, including tax-exempt organizations that may engage in lobbying activities, candidates, and committees in its public policy efforts. We devote more than 47 percent of our corporate resources toward research. Approximately 76 percent of the total company support was directed to tax-deductible, non-lobbying endeavors.

### TOTAL SUPPORT OF PUBLIC POLICY INITIATIVES



## Board Oversight and Contribution Governance

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

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

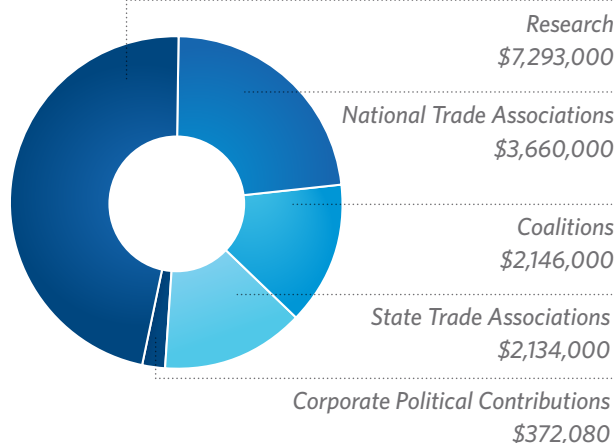
## Overview of Expenditures

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

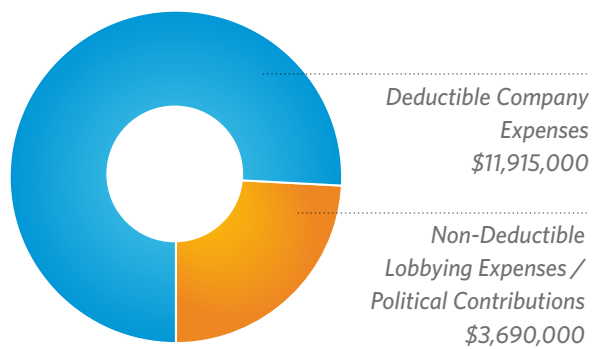
In 2012, the company's efforts in this arena utilized approximately \$15.6 million in corporate funds, which represents four one-hundredths of 1 percent of revenues. In addition, for the same period the employee-funded political action committees contributed approximately \$311,255 to a wide variety of political organizations and candidates.

As part of our public policy effort, the company supports various organizations, including tax-exempt organizations that may engage in lobbying activities, candidates, and committees in its public policy efforts. This support is allocated among the following five categories of activities: research, coalitions, national and state trade associations, and corporate political contributions. This report describes each of the categories and the amount we spend in each category. We devote more than 47 percent of these corporate resources toward research. Approximately 76 percent of the total company support was directed to tax deductible, non-lobbying endeavors.

### COMPANY SUPPORT OF PUBLIC POLICY INITIATIVES



## DEDUCTIBLE EXPENSES AND NON-DEDUCTIBLE LOBBYING EXPENSES/POLITICAL CONTRIBUTIONS



### RESEARCH



### COALITIONS



### NATIONAL TRADE ASSOCIATIONS



### STATE TRADE ASSOCIATIONS



### CORPORATE POLITICAL CONTRIBUTIONS



## Organizations and Initiatives We Support

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

**COALITIONS** Allstate partners with advocacy organizations and other coalitions throughout the country to promote various public policy positions. For example, we continue to work to better prepare and protect America from natural catastrophes. In 2012, Allstate provided approximately \$2 million to coalitions, with almost \$638,000 (32 percent) attributed to lobbying efforts.

**NATIONAL AND STATE TRADE ASSOCIATIONS** We are also working to help build a better insurance regulatory system. The insurance industry currently operates under a different set of regulations in each of the 50 states and the District of Columbia. This patchwork system makes it difficult and expensive to develop innovative products for our customers and for our exclusive agents to operate as efficiently as possible. Allstate supports business organizations that assist our 11,200 agency owners and exclusive financial representatives, who operate small businesses located on main streets across the United States and Canada.

Here are the major organizations within the categories described above that Allstate supported in 2012:

- Advocates for Highway and Auto Safety
- American Council of Life Insurers
- Association of National Advertisers
- Certified Automotive Parts Association
- Financial Services Forum
- Financial Services Roundtable
- Fix the Debt Coalition
- Florida Chamber of Commerce
- Insurance Information Institute
- Insurance Information Network of California
- Insurance Institute for Business & Home Safety
- Insurance Institute for Highway Safety
- Life Insurance Council of New York
- National Insurance Crime Bureau
- Personal Insurance Federation of California
- Personal Insurance Federation of Florida
- ProtectingAmerica.org
- Quality Parts Coalition
- U.S. Chamber of Commerce

## Grassroots Lobbying

Allstate leverages an intranet-based system, called Take Your Stand, as a means to engage interested agency owners and employees through grassroots activism on important public policy initiatives. In 2012, the company spent \$42,500 for vendor services to administer and host this online communication portal. Through this platform, Allstate agents and employees are able to communicate directly with federal and state elected officials on public policy matters that are important to Allstate and our customers.

# RECOGNITION & PARTNERSHIPS

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Named to the 2012 Carbon Disclosure Leadership Index (CDLI) **DISCLOSURE SCORE: 92**

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Named to the 2012 Carbon Performance Leadership Index (CPLI) **PERFORMANCE BAND A**

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Business for Social Responsibility

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**RECOGNIZED** as one of *The Civic 50's* most community-minded companies in America

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Committee Encouraging Corporate Philanthropy

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**RANKED 37<sup>TH</sup>** on The DiversityInc Top 50 Companies for Diversity® list in 2012

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Boston College Center for Corporate Citizenship

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# COMPANY PROFILE

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

Allstate had \$126.9 billion in total assets at the end of 2012, compared with \$125.2 billion at the end of 2011.

We have approximately 70,000 professionals made up of employees, agency owners and staff. Of Allstate’s employees, 57 percent are women, and 32 percent are minorities.

## Our Shared Vision

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

## Corporate Governance

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Driving sustained value requires strong corporate governance. That’s why we’re working hard to ensure executive and Board-level transparency and accountability.

The Allstate Board of Directors has ultimate responsibility for the conduct of the company. In 2012, our Board was composed of 12 members, including Thomas J. Wilson, who serves as Chairman of the Board, President and Chief Executive Officer of Allstate. Mr. Wilson has served as Chairman of Allstate since May 2008 and as President and Chief Executive Officer since January 2007.

## Ethics and Integrity

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Always do the right thing in the right way for the right reason. That philosophy is essential to Allstate’s business and to our reputation. It builds trust and strengthens relationships within the company, and among our customers and other stakeholders. Every day, we put our values into action through our behaviors, decisions and interactions.

To support this effort, Allstate has developed a comprehensive Code of Ethics that applies to all employees and to our Board of Directors. The Code covers a range of topics, including conflicts of interest, workplace safety, harassment and discrimination, protection of data and insider trading. It is available at [www.allstatecodeofethics.com](http://www.allstatecodeofethics.com).

## Inclusive Diversity

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Inclusive diversity is a core value at Allstate and receives full support from all levels of the company. Our approximately 70,000 employees, agency owners and staff — each with particular skills and strengths — serve thousands of communities, each with its own character and needs.

Inclusive diversity isn’t a single goal or program:

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



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