



The Allstate Corporation

Raymond James 2023 Institutional Investors Conference

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Forward-looking Statements and Non-GAAP Financial Information

This presentation contains forward-looking statements and information. This presentation also contains non-GAAP measures that are denoted with an asterisk. You can find the reconciliation of those measures to GAAP measures within our most recent earnings release, investor supplement or on our website, www.allstateinvestors.com, under the “Financials” link.

Additional information on factors that could cause results to differ materially from this presentation is available in the 2022 Form 10-K, Form 10-Q for September 30, 2022, our most recent earnings release, and at the end of these slides. These materials are available on our website, www.allstateinvestors.com, under the “Financials” link.

Allstate's Strategy To Increase Shareholder Value

Increase Personal Property-Liability Market Share



Leveraging Allstate brand, customer base and capabilities



Expand Protection Services







Strategic Priorities

- Return auto insurance profitability to historical levels
- Grow Property-Liability market share
- Expand customer base through broad distribution and innovative protection
- Exceptional capital management

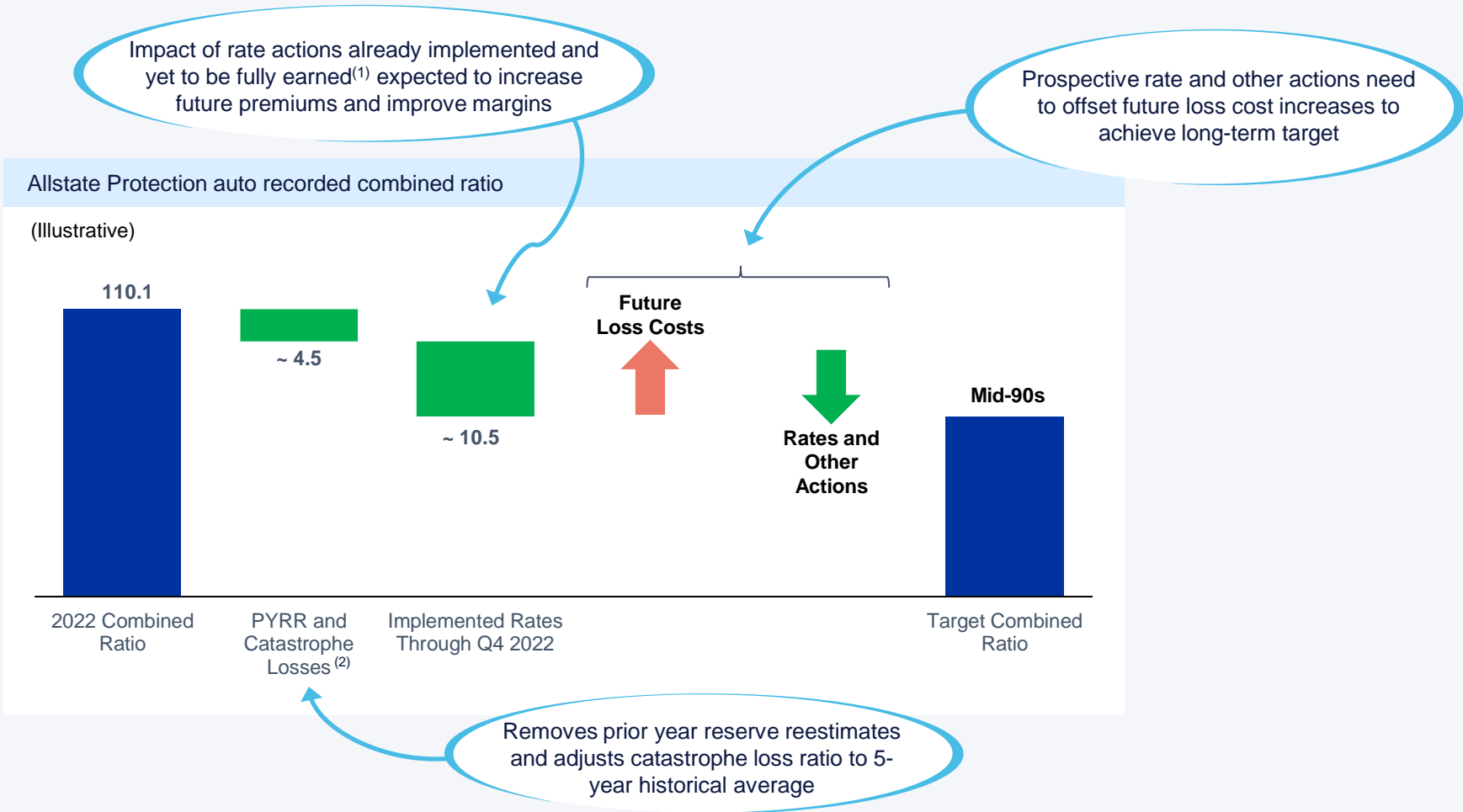
Long-term Target Return on Equity⁽¹⁾:
14 – 17%

⁽¹⁾ Adjusted net income return on Allstate common shareholders' equity; a reconciliation of this non-GAAP measure to return on common shareholders' equity, a GAAP measure, is not possible on a forward-looking basis because it is not possible to provide a reliable forecast for catastrophes or investment income on limited partnership interests, and prior year reserve reestimates are expected to be zero because reserves are determined based on our best estimate of ultimate losses as of the reporting date

Executing Comprehensive Approach to Restore Auto Margins

Auto insurance profit improvement will be driven by:			Actions taken and planned:
Rate Increases	<ul style="list-style-type: none"> • Pursuing rate actions • Pricing expertise and sophistication 		<ul style="list-style-type: none"> • Implemented Allstate brand rate increases of 16.9% in 2022 • Expect to continue to pursue significant rate increases in 2023
Expense Focus	<ul style="list-style-type: none"> • Reducing expenses as part of Transformative Growth 		<ul style="list-style-type: none"> • Achieved approximately half the savings to date • Temporarily reduced advertising spend to manage new business volume • Future cost reductions from digitization, sourcing and operating efficiency and distribution model
Underwriting Actions	<ul style="list-style-type: none"> • Implementing stricter auto new business underwriting requirements 		<ul style="list-style-type: none"> • Restricting new business in 37 states including CA, NY and NJ
Claims Excellence	<ul style="list-style-type: none"> • Modifying claims practices to manage loss costs 		<ul style="list-style-type: none"> • Leverage scale with strategic partnerships and parts procurement • Predictive modeling to enable fair and fast resolution and liability determination early in process

Implemented Rate Increases Will Improve Auto Insurance Profitability; Additional Actions Needed to Offset Future Loss Cost Increases



⁽¹⁾ Reflects estimated earned premium from rates already implemented and yet to be fully earned, including ~9.5 points in 2023 and ~1.0 point in 2024
⁽²⁾ Adjusts combined ratio for impact of prior year reserve reestimates in 2022 and normalizes impact of catastrophe losses to average of the last 5 years

Capital Structure Is Diversified With A Balanced Debt Maturity Profile

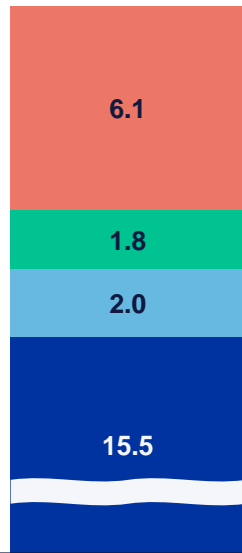
Strategic use of hybrid debt and preferred stock optimizes cost of capital

Confident in ability to access capital markets to maintain a consistent capital structure following debt maturities and preferred stock redemption

Capital Structure

(in billions)

\$25.4



2022

Senior Debt



- **Balanced maturity profile with three senior debt maturities totaling \$1.1 billion in 2023 and 2024**

Hybrid Debt



- **No hybrid debt maturities prior to 2053**

Preferred



- **Will redeem \$575 million of preferred stock in April 2023**

Common Equity



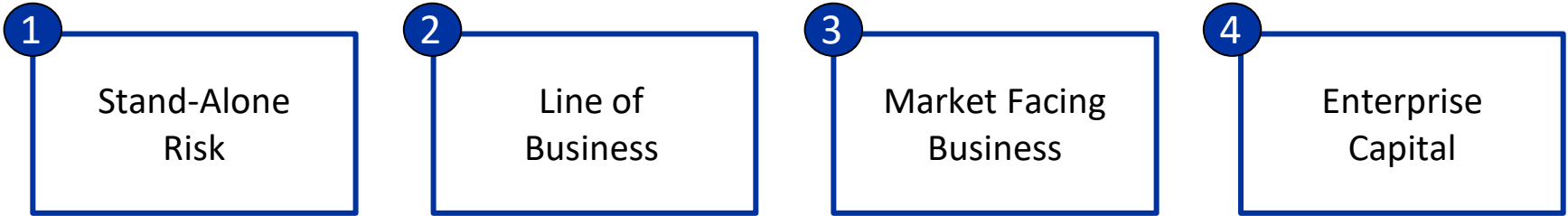
- **Increased quarterly dividend 5% in February 2023**
- **Repurchased \$2.5 billion in 2022; \$802 million remaining on current \$5 billion authorization expected to be completed third quarter 2023**

Sophisticated Capital Management Framework Ensures Financial Strength

Economic Capital

- Capital needed to accept risks given expected returns and range of outcomes
- Determined using sophisticated framework built on historical experience across hundreds of individual risks

Economic Capital Includes Increasing Levels of Diversification



Base Capital

- Capital needed to meet statutory requirements and maintain appropriate financial strength and issuer credit ratings

Stress Capital

- Capital buffer needed to absorb a potential stress event

Contingent Capital

- Discretionary reserves held against deeper tail risks or for strategic uses

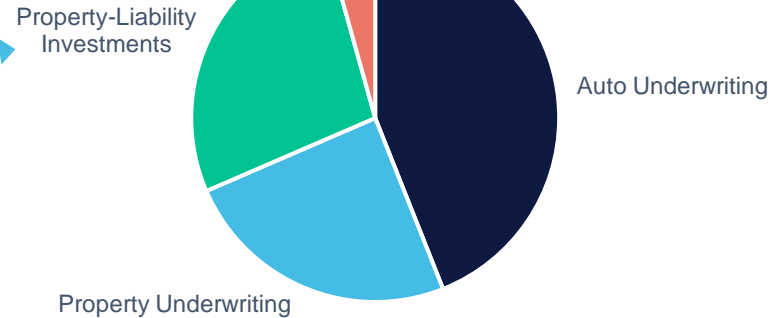
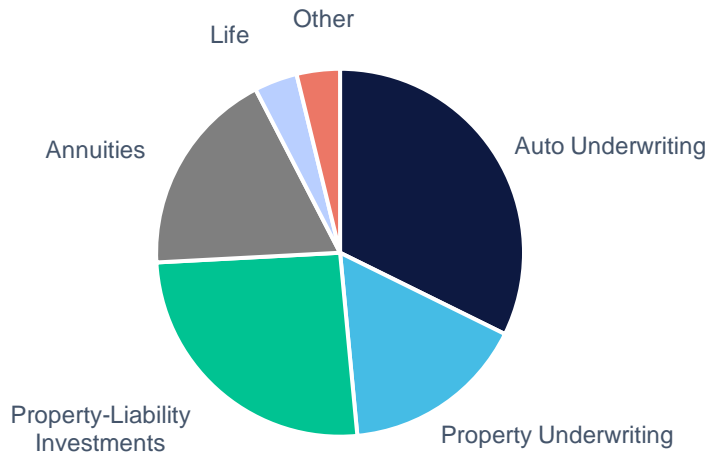
Economic Capital Reflects Changes in Risk Profile

Life and annuity businesses utilized ~25% of economic capital prior to their dispositions

Allstate's risk profile has been reduced following the life and annuity sales resulting in lower economic capital, which increased deployable capital

Year End 2020: Pre-Life and Annuity sale

Year End 2022: Post Life and Annuity sale



Investment portfolio actions are proactively taken to adjust enterprise risk profile

Financial Condition and Capital Position Remain Strong

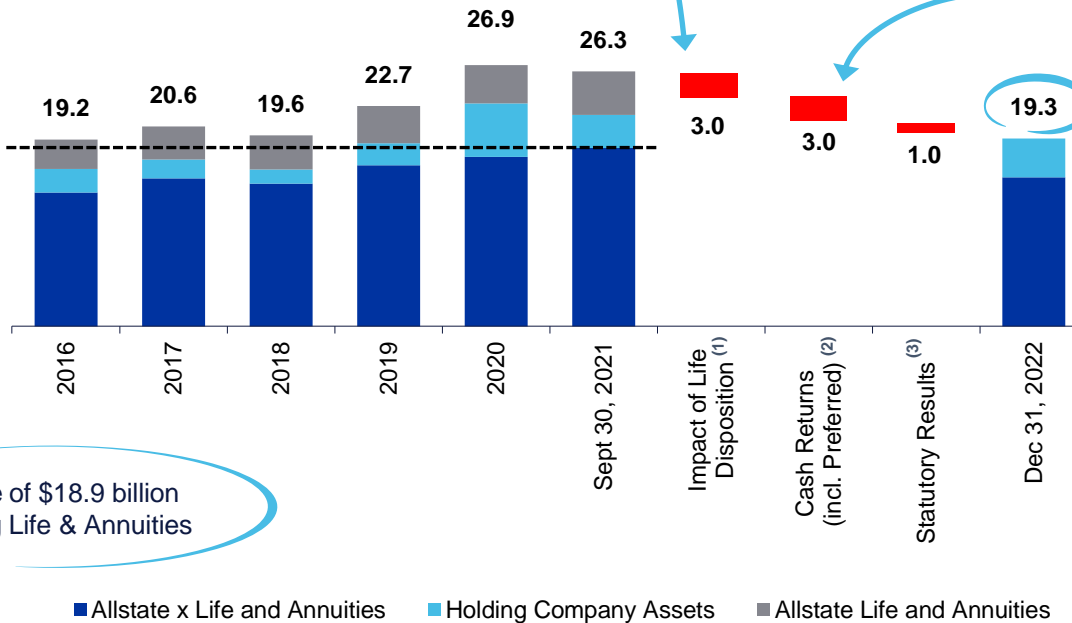
Life and annuities sale reduced surplus (\$1.3 billion) and increased deployable capital (\$1.7 billion), due to a lower risk profile, which was included in our current \$5 billion repurchase program

Cash returns represents \$1.7 billion of repurchases and \$1.3 billion of dividends, excluding the \$1.7 billion attributable to the life and annuities sale

Statutory Surplus and Holding Company Assets

(in billions)

12/31/2022 vs 9/30/2021



Average of \$18.9 billion excluding Life & Annuities

Statutory surplus and holding company assets remain in excess of historical levels

(1) Reflects net statutory impact from sale of life and annuities businesses and previously disclosed increase in deployable capital of \$1.7 billion that was part of the current \$5 billion repurchase authorization
 (2) Reflects cash returns excluding the amount referenced in footnote 1
 (3) Primarily includes statutory loss, change in unrealized net gains and losses on equity investments and interest expense

Transformative Growth To Increase Personal Property-Liability Market Share

Multi-year initiative to build a low-cost digital insurer with broad distribution

- Improve customer value
- Expand customer access
- Increase sophistication and investment in customer acquisition
- Modernize technology ecosystem
- Drive organizational transformation

Transformative Growth Outcomes

Lowest Cost Auto Insurance

- Competitively priced products through lower expense structure
- Increased pricing sophistication utilizing telematics

Differentiated Product and Customer Experience

- Deploying differentiated affordable, simple and connected products
- Personalized consumer experiences leveraging analytics and machine-based learning

Broad and Efficient Distribution System

- Only major carrier with competitive offering in branded agent, direct and independent agent distribution

Enhanced Agility Through Technology

- Integrated and flexible technology ecosystem
- Retirement of legacy systems

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Forward-looking Statements

This presentation contains “forward-looking statements” that anticipate results based on our estimates, assumptions and plans that are subject to uncertainty. These statements are made subject to the safe-harbor provisions of the Private Securities Litigation Reform Act of 1995.

Forward-looking statements do not relate strictly to historical or current facts and may be identified by their use of words like “plans,” “seeks,” “expects,” “will,” “should,” “anticipates,” “estimates,” “intends,” “believes,” “likely,” “targets” and other words with similar meanings. These statements may address, among other things, our strategy for growth, catastrophe, exposure management, product development, investment results, regulatory approvals, market position, expenses, financial results, litigation, and reserves. We believe that these statements are based on reasonable estimates, assumptions and plans. Forward-looking statements speak only as of the date on which they are made, and we assume no obligation to update any forward-looking statements as a result of new information or future events or developments. In addition, forward-looking statements are subject to certain risks or uncertainties that could cause actual results to differ materially from those communicated in these forward-looking statements. Factors that could cause actual results to differ materially from those expressed in, or implied by, the forward-looking statements include risks related to:

Insurance and Financial Services (1) unexpected increases in claim frequency and severity; (2) catastrophes and severe weather events; (3) limitations in analytical models used for loss cost estimates; (4) price competition and changes in regulation and underwriting standards; (5) actual claim costs exceeding current reserves; (6) market risk, inflation and declines in credit quality of our investment portfolios; (7) our subjective determination of fair value and amount of credit losses for investments; (8) our participation in indemnification programs, including state industry pools and facilities; (9) inability to mitigate the impact associated with changes in capital requirements;

(10) a downgrade in financial strength ratings;

Business, Strategy and Operations (11) competition in the industries in which we compete and new or changing technologies; (12) implementation of our Transformative Growth strategy; (13) our catastrophe management strategy; (14) restrictions on our subsidiaries’ ability to pay dividends; (15) restrictions under terms of certain of our securities on our ability to pay dividends or repurchase our stock; (16) the availability of reinsurance at current levels and prices; (17) counterparty risk related to reinsurance; (18) acquisitions and divestitures of businesses; (19) intellectual property infringement, misappropriation and third-party claims;

Macro, Regulatory and Risk Environment (20) conditions in the global economy and capital markets; (21) a large-scale pandemic, the occurrence of terrorism, military actions or social unrest; (22) the failure in cyber or other information security controls, as well as the occurrence of events unanticipated in our disaster recovery processes and business continuity planning; (23) changing climate and weather conditions; (24) evolving environmental, social and governance standards and expectations; (25) restrictive regulations and regulatory reforms, including limitations on rate increases and requirements to underwrite business and participate in loss sharing arrangements; (26) losses from legal and regulatory actions; (27) changes in or the application of accounting standards; (28) vendor-related business disruptions or failure of a vendor to provide and protect data, confidential and proprietary information, or personal information of our customers, claimants or employees; (29) our ability to attract, develop and retain talent; and (30) misconduct or fraudulent acts by employees, agents and third parties.

Additional information concerning these and other factors may be found in our filings with the Securities and Exchange Commission, including the “Risk Factors” section in our most recent annual report on Form 10-K.