



The Allstate Corporation

Bank of America 2021 Insurance Conference

Tom Wilson, Chair, President and Chief Executive Officer

February 10, 2021

Allstate[®]
You're in good hands.



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 or investor supplement.

Additional information on factors that could cause results to differ materially from this presentation is available in the 2019 Form 10-K, Form 10-Q for September 30, 2020, 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.



Diversified Portfolio of Businesses

(policies in force as of YE 2020, in millions)

- **Auto, Homeowners and Other Personal Lines Insurance (33.6)**
- **Roadside Assistance (0.5)**
- **Car Warranties (4.0)**
- **Accident & Health (4.0)**
- **Consumer Protection Plans (129.0)**
- **Identity Protection (2.7)**
- **Arity: Telematics Offerings (NA)**

Total Policies In Force (175.9)

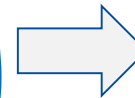
Broad Distribution Network

- **Allstate agents (10,400)**
- **Independent agents (42,300)**
- **Direct**
- **Automotive Dealers (1,500)**
- **Retailers (Wal-Mart, Costco, Home Depot, Target...)**
- **Workplace (50,000)**



Allstate's Strategy is to Build Transformative Growth Businesses

Increase Personal Property-Liability Market Share



- Expand Customer Access
- Improve Customer Value Proposition
- Increase Marketing Sophistication
- Deploy New Technology Ecosystem

Leveraging Allstate Brand, Customer Base and Capabilities



Expand Protection Services





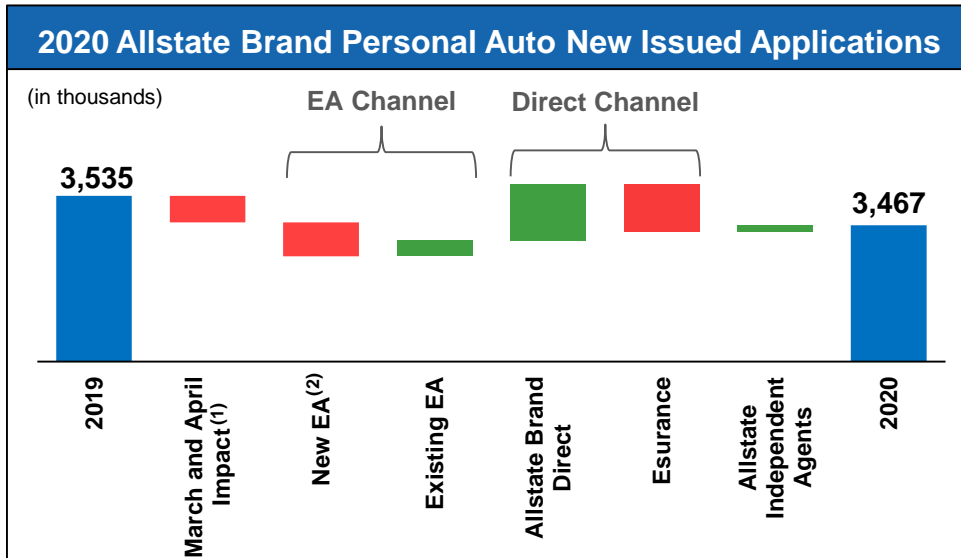
2020 Highlights

- **Earned \$5.5 billion of net income and \$4.6 billion of adjusted net income***
- **Adjusted net income return on equity* of 19.8% in 2020**
- **Exceptional progress building Transformative Growth business models**
- **Personal property-liability market share growth in 2021 with acquisition of National General**
- **Announced sale of Allstate Life Insurance Company to redeploy capital out of lower returning businesses**
- **Returned \$2.4 billion to shareholders through dividends and repurchasing 5% of common shares in 2020**

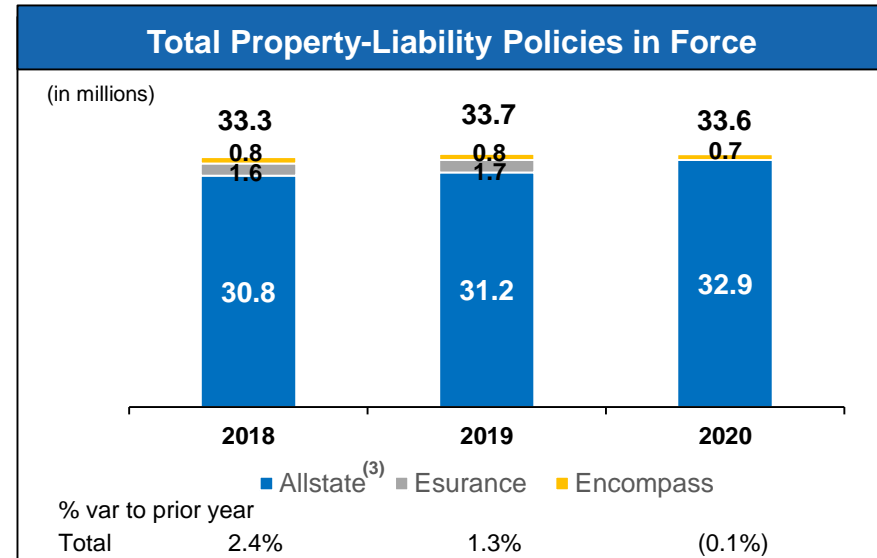


Strengthened Allstate Brand Property-Liability Distribution in 2020

- Allstate agent distribution improved effectiveness and efficiency
 - Existing agents increased new business in 2020, except for March and April, supported by higher new business incentives
 - Stopped appointing new Allstate agents while a higher growth and lower cost model is being developed
- Successfully transitioned direct capabilities to Allstate brand
 - Discontinued brand advertising for Esurance and shifted resources to Allstate brand
 - Implemented channel of distribution pricing with lower cost for direct
 - Allstate branded direct sales increased more than Esurance sales declined
- Overall Allstate and Esurance brand policies in force were maintained at prior year levels



⁽¹⁾ Reflects new issued application variance to prior year across channels in March and April
⁽²⁾ New EA reflects 2020 new agent appointment production compared to prior year new appointments
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⁽³⁾ Allstate brand includes Esurance brand in 2020



Acquisition of National General Will Accelerate Profitable Growth Through Independent Agents

- **Allstate closed the \$4 billion acquisition of National General Holdings Corp. on Jan. 4, 2021**
- **National General will become Allstate's independent agent ("IA") platform**
 - **Encompass will be consolidated into National General in 2021 and Allstate Independent Agents will transition over time**
 - **The new entity will be branded as National General, an Allstate company**
 - **New standard auto and homeowners insurance products will be rolled out over the next two years**

National General Measures of Acquisition Success

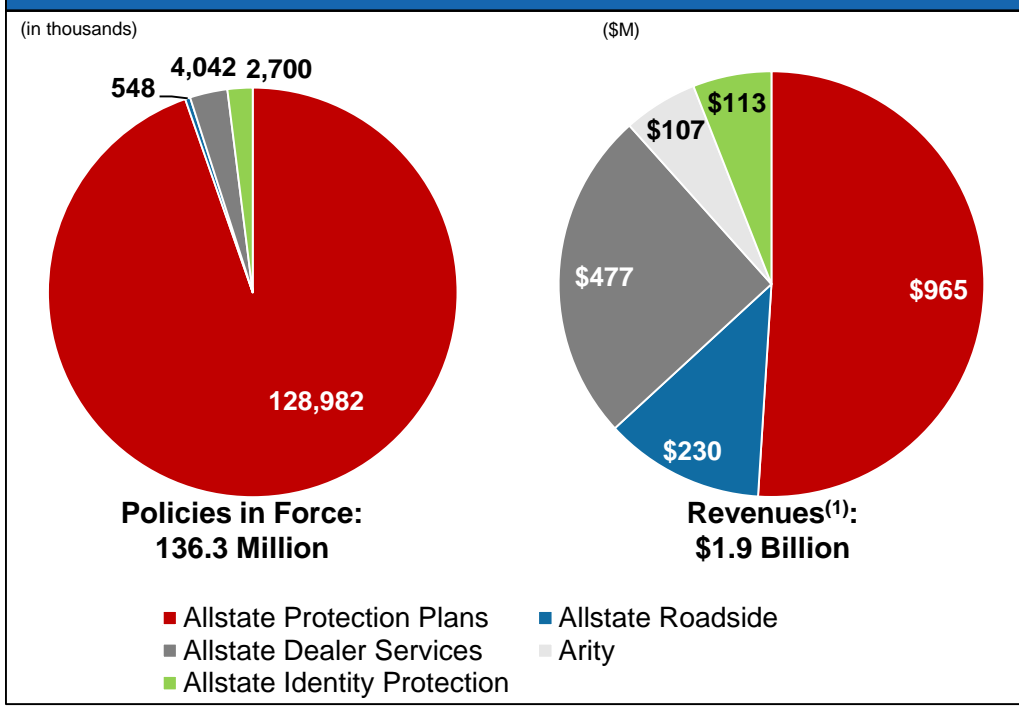
- 1. Accretive with Growing Earnings**
- 2. Integrate IA Businesses and Achieve Synergies**
- 3. Grow IA Channel Policies in Force with Broader Product Offering**



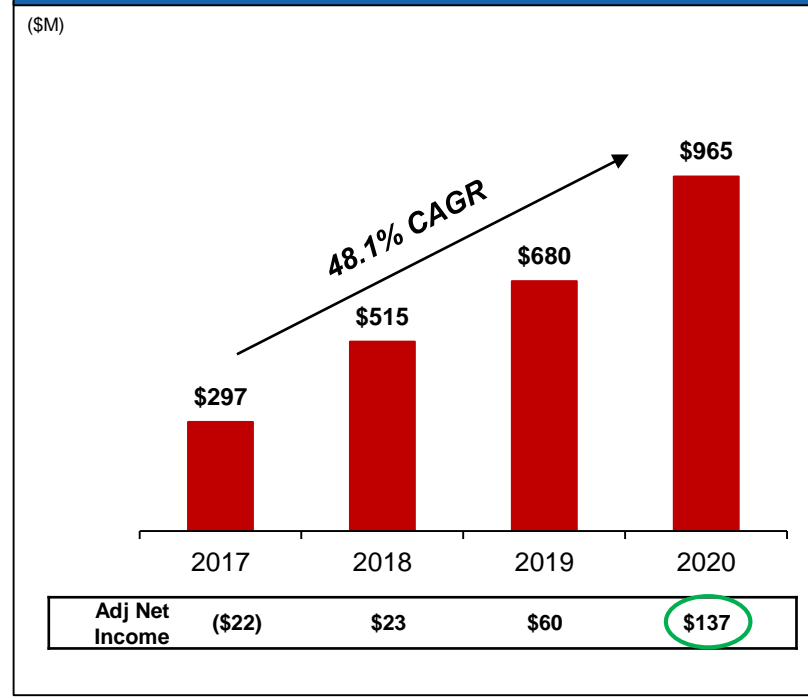
Protection Services Growth Led by Allstate Protection Plans

- Protection Services revenues of \$1.9 billion increased 17% in 2020 with \$153 million of adjusted net income
- Allstate Protection Plans has exceeded growth and profitability expectations
 - Revenue compound annual growth rate of 48.1% since the end of 2017
 - Generated adjusted net income of \$137 million for 2020
- Expanding total addressable market: appliances, furniture, cellular carriers, and international
 - Began offering protection products through Home Depot in January

2020 Protection Services Results



Allstate Protection Plans Revenues⁽¹⁾



⁽¹⁾ Revenues exclude the impact of realized capital gains and losses
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Improving Customer Value and Growth Through Innovation

- Arity has industry-leading telematics capabilities that have been created over the last decade
 - Extensive telematics data with 410+ billion miles collected
 - Active connections⁽¹⁾ exceed 27 million
 - Proprietary risk scores
 - Strong usage based insurance presence with consumers and ride sharing companies

Telematics	Digitization	Customer Focus	Data Analytics
<ul style="list-style-type: none"> ▪ Drivewise® ▪ Milewise® 	<ul style="list-style-type: none"> ▪ QuickFoto Claim ▪ Virtual Assist ▪ Aerial Imagery ▪ Allstate OneApp 	<ul style="list-style-type: none"> ▪ Accident Forgiveness ▪ New Car Replacement ▪ Claims Satisfaction Guarantee ▪ Sharing Economy Insurance ▪ Digital Footprint ▪ Appliance Repair – 2 Day Guarantee ▪ Car Sharing (Avail) 	<ul style="list-style-type: none"> ▪ Insurance Pricing ▪ Claims Settlements and Fraud ▪ Economic Capital ▪ Risk Management

⁽¹⁾ Active connections include third-party Arity customers and greater than 2.0 million Allstate insurance connections



Allstate is an Attractive Investment Opportunity

- **Transition to higher growth successfully being implemented:**
 - **Extensive Allstate agent platform with industry leading value position**
 - **Direct business utilizing Allstate brand, competitive prices, broad product portfolio and insurance expertise**
 - **Independent agent business with national distribution, effective agency-facing technology and strong position in auto and homeowners insurance**
 - **Protection Services with innovative business models and expanding total addressable markets**

- **Allstate’s valuation is attractive relative to peers and does not appear to reflect growth potential**

Capital Position			
	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>Inc / (Dec)</u>
Adjusted Net Income Return on Equity*	19.8%	16.9%	2.9 pts
Book Value per Common Share	\$91.50	\$73.12	25.1%
<u>Stock Valuation⁽¹⁾</u>			
Price per Share	\$107	\$112	\$(5)
Price / LTM Earnings⁽²⁾	7.3	10.8	(3.5) pts
Price / Book Value	1.2	1.5	(0.3) pts

⁽¹⁾ Stock valuation metrics reflect closing price on 2/5/2021 with LTM earnings and book value evaluated as of 12/31/2020

⁽²⁾ Last twelve months earnings reflects adjusted net income





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. These 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. We believe these statements are based on reasonable estimates, assumptions and plans. If the estimates, assumptions or plans underlying the forward-looking statements prove inaccurate or if other risks or uncertainties arise, actual results could 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 underwriting standards; (5) actual claims costs exceeding current reserves; (6) market risk and declines in credit quality of our investment portfolio; (7) our subjective determination of fair value and the amount of realized capital losses recorded for impairments of our investments; (8) the impact of changes in market interest rates or performance-based investment returns on our annuity business; (9) the impact of changes in reserve estimates and amortization of deferred acquisition costs on our life, benefits and annuity businesses; (10) our participation in indemnification programs, including state industry pools and facilities; (11) our ability to mitigate the capital impact associated with statutory reserving and capital requirements; (12) a downgrade in financial strength ratings; (13) changes in tax laws;
 - Business, Strategy and Operations (14) competition in the insurance industry and new or changing technologies; (15) implementation of our Transformative Growth Plan; (16) our catastrophe management strategy; (17) restrictions on our subsidiaries’ ability to pay dividends; (18) restrictions under terms of certain of our securities on our ability to pay dividends or repurchase our stock; (19) the availability of reinsurance at current level and prices; (20) counterparty risk related to reinsurance; (21) acquisitions and divestitures of businesses; (22) intellectual property infringement, misappropriation and third-party claims;
 - Macro, Regulatory and Risk Environment (23) conditions in the global economy and capital and credit markets; (24) a large scale pandemic, such as the Novel Coronavirus Pandemic or COVID-19 and its impacts, or occurrence of terrorism or military actions; (25) the failure in cyber or other information security controls, or the occurrence of events unanticipated in our disaster recovery processes and business continuity planning; (26) changing climate and weather conditions; (27) restrictive regulations and regulatory reforms, including limitations on rate increases and requirements to underwrite business and participate in loss sharing arrangements; (28) losses from legal and regulatory actions; (29) changes in or the application of accounting standards; (30) loss of key vendor relationships or failure of a vendor to protect our data or confidential, proprietary and personal information; (31) our ability to attract, develop and retain key personnel, including availability and productivity of employees during the Coronavirus; and (32) 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. Forward-looking statements speak only as of the date on which they are made, and we assume no obligation to update or revise any forward-looking statement.