

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15 (d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): June 16, 2022
THE ALLSTATE CORPORATION
(Exact name of registrant as specified in its charter)

Delaware
(State or other
jurisdiction of incorporation)

1-11840
(Commission
File Number)

36-3871531
(IRS Employer
Identification No.)

2775 Sanders Road, Northbrook, Illinois 60062

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code **(847) 402-5000**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

	Title of each class	Trading Symbols	Name of each exchange on which registered
Common Stock, par value \$0.01 per share		ALL	New York Stock Exchange Chicago Stock Exchange
5.100% Fixed-to-Floating Rate Subordinated Debentures due 2053		ALL.PR.B	New York Stock Exchange
Depository Shares represent 1/1,000th of a share of 5.625% Noncumulative Preferred Stock, Series G		ALL.PR.G	New York Stock Exchange
Depository Shares represent 1/1,000th of a share of 5.100% Noncumulative Preferred Stock, Series H		ALL.PR.H	New York Stock Exchange
Depository Shares represent 1/1,000th of a share of 4.750% Noncumulative Preferred Stock, Series I		ALL.PR.I	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. _____

Section 7 – Regulation FD

Item 7.01. Regulation FD Disclosure.

The Registrant's press release dated June 16, 2022, announcing its estimated catastrophe losses for May 2022, Registrant's implemented auto rate exhibit for May 2022 and the Registrant's special topic investor presentation for June 2022 are posted on allstateinvestors.com and are attached hereto as Exhibit 99.1, 99.2 and 99.3, respectively, which are incorporated herein by reference. These exhibits are furnished and not filed, pursuant to Instruction B.2 of Form 8-K.

Section 9 – Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	The Registrant's catastrophe losses and implemented auto rates press release dated June 16, 2022
99.2	The Registrant's implemented auto rate exhibit for May 2022
99.3	The Registrant's special topic investor presentation for June 2022
104	Cover Page Interactive Data File (formatted as inline XBRL).



NEWS

FOR IMMEDIATE RELEASE

Contacts:

Al Scott
Media Relations
(847) 402-5600

Mark Nogal
Investor Relations
(847) 402-2800

Allstate Announces May 2022 Catastrophe Losses and Implemented Auto Rates

NORTHBROOK, Ill., June 16, 2022 – The Allstate Corporation (NYSE: ALL) today announced estimated catastrophe losses for the month of May of \$436 million or \$344 million, after-tax. May catastrophe losses included 14 events, primarily wind and hail in Texas, the Midwest and Canada, estimated at \$423 million, plus unfavorable reserve reestimates for prior period events. Catastrophe losses for April and May totaled \$752 million, pre-tax.

"Allstate continued to implement meaningful rate actions in response to ongoing inflationary impacts on auto insurance severities. During the month of May, the Allstate brand implemented rate increases of 9.3% across 13 locations, resulting in total Allstate brand insurance premium impact of 0.7%. We have implemented 78 rate increases averaging approximately 8.1% across 49 locations since the beginning of the fourth quarter 2021. Allstate brand implemented auto rate increases totaled \$180 million in the month of May and \$343 million quarter to date, after implementing \$1.6 billion in the previous two quarters," said Mario Rizzo, Chief Financial Officer of The Allstate Corporation. Our implemented auto rate exhibit has been posted on allstateinvestors.com.

Financial information, including material announcements about The Allstate Corporation, is routinely posted on www.allstateinvestors.com.

Forward-Looking Statements

This news release 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. However, 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 may be found in our filings with the U.S. Securities and Exchange Commission, including the "Risk Factors" section in our most recent annual report on Form 10-K. Forward-looking statements are as of the date on which they are made, and we assume no obligation to update or revise any forward-looking statement.

###

The Allstate Corporation
Allstate Protection Impact of Net Rate Changes Implemented on Premiums Written

	For the month ended May 31, 2022			Quarter to date ended May 31, 2022		
	Number of locations ⁽¹⁾	Total brand (%) ⁽²⁾⁽⁴⁾	Location specific (%) ⁽³⁾	Number of locations ⁽¹⁾	Total brand (%) ⁽²⁾⁽⁴⁾	Location specific (%) ⁽³⁾
Allstate brand						
Auto	13	0.7	9.3	25	1.4	7.7
National General						
Auto	10	1.5	6.1	15	2.3	5.8
	Three months ended March 31, 2022			Three months ended December 31, 2021		
	Number of locations ⁽¹⁾	Total brand (%) ⁽²⁾⁽⁴⁾	Location specific (%) ⁽³⁾	Number of locations ⁽¹⁾	Total brand (%) ⁽²⁾⁽⁴⁾	Location specific (%) ⁽³⁾
Allstate brand						
Auto	28	3.6	9.3	25	2.9	7.1
National General						
Auto	24	1.9	4.6	22	2.4	5.7

⁽¹⁾ Refers to the number of U.S. states, the District of Columbia or Canadian provinces where rate changes have been implemented. Allstate brand operates in 50 states, the District of Columbia, and 5 Canadian provinces. National General operates in 50 states and the District of Columbia.

⁽²⁾ Represents the impact in the locations where rate changes were implemented during the period as a percentage of total brand prior year-end premiums written.

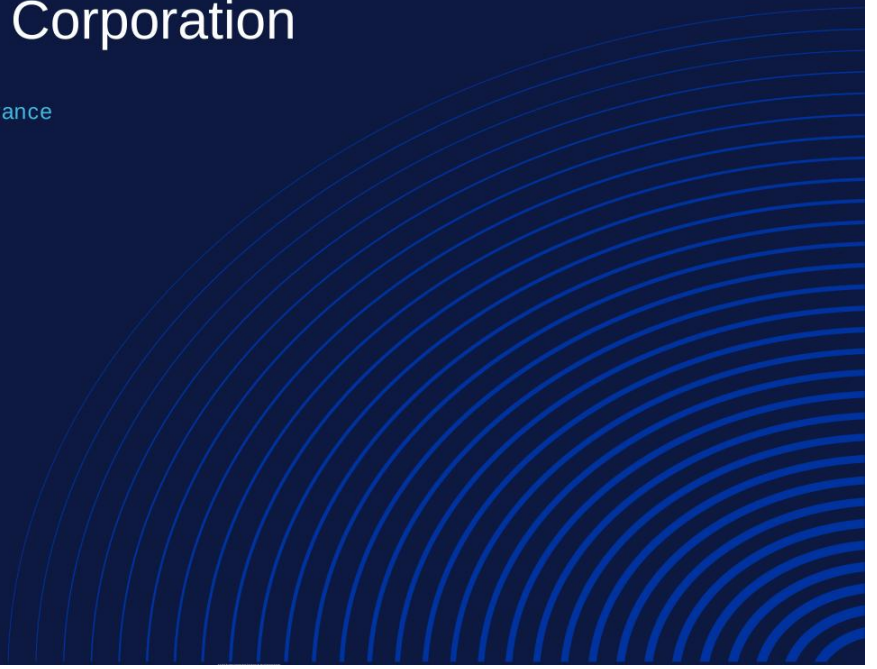
⁽³⁾ Represents the impact in the locations where rate changes were implemented during the period as a percentage of its respective total prior year-end premiums written in those same locations.

⁽⁴⁾ Allstate brand implemented auto insurance rate increases totaled \$180 million and \$343 million in the month and quarter to date ended May 31, 2022 after implementing \$862 million and \$702 million of rate increases in the first quarter of 2022 and fourth quarter of 2021, respectively.



The Allstate Corporation

Special Topic Investor Call
Value of Homeowners Insurance
06.16.2022



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 and investor supplement.

Additional information on factors that could cause results to differ materially from this presentation is available in the 2021 Form 10-K, Form 10-Q for March 31, 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 Deliver Transformative Growth and Higher Valuation



Innovating in Homeowners Insurance to Create Shareholder Value

External Variables Impact Industry Trends

Increased severe weather and catastrophe losses challenge business models

- 1970-1990: Moderate catastrophe losses for U.S. of \$1.3 billion annually
- 1990-2020: Dramatic increase in severe weather with catastrophe losses averaging \$20.4 billion annually

Insurance industry adapts but majority of competitors still not profitable

- Industry underwriting losses of \$4.5 billion annually from 2017 - 2021
- Eight of top ten underwriters are unprofitable

Allstate Innovates (1995 – Today)

Aggressively lowered catastrophe exposure

- Allstate homeowners policies in force declined from approximately 8 million in 2005 to 6 million in 2013, which negatively impacted auto insurance growth
- Helped establish state-based catastrophe risk pools
- Allstate becomes largest U.S. primary purchaser of reinsurance

Generate attractive risk adjusted returns

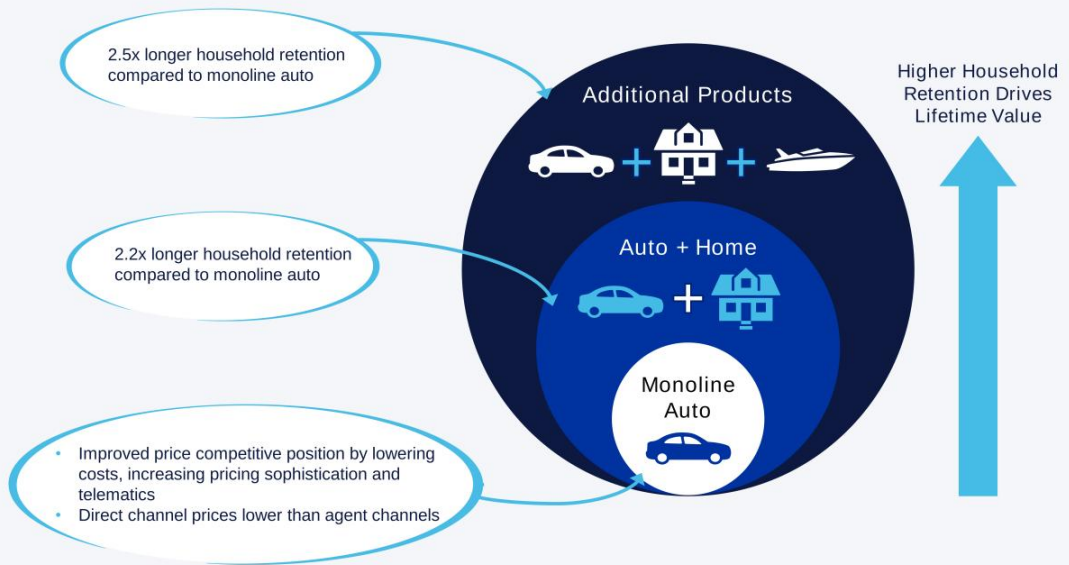
- Increased prices
- Redesigned coverages to cover actual economic losses; age rate roofs
- Enhanced pricing sophistication, underwriting and portfolio management
- Enhanced claims processes using technology, analytics and scale

Expanding a profitable growth business

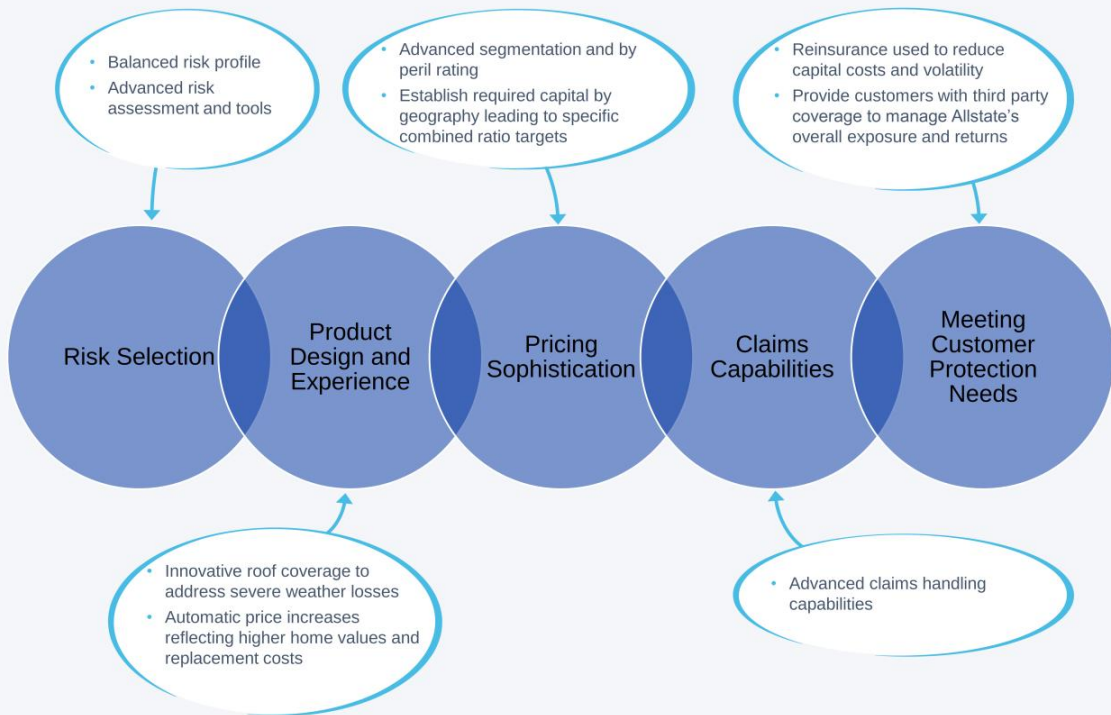
- Homeowners insurance generated average annual adjusted net income^{*(1)} of \$1.2 billion over last 10 years
- Homeowners insurance premiums are expected to grow faster than auto insurance
- National General homeowners business being repositioned to drive growth through independent agents

⁽¹⁾ Homeowners adjusted net income reflects after-tax underwriting income, including an allocation of Property-Liability net investment income

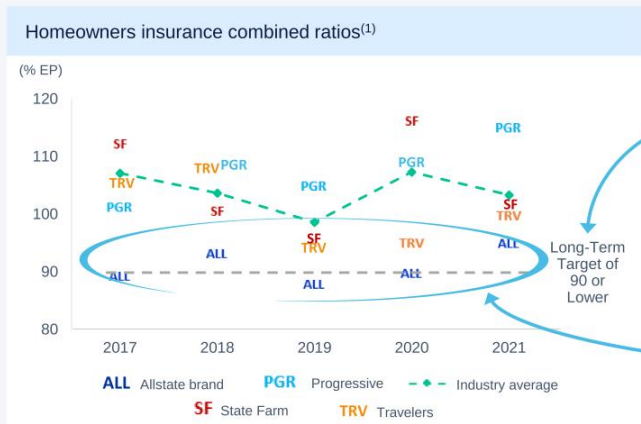
Allstate's Diverse Product Offering Provides Bundled Savings for Customers and Delivers Higher Lifetime Value



Integrated Homeowners System Creates Competitive Advantage



Homeowners Insurance Generates Attractive Returns



Target combined ratio below auto insurance given higher capital requirements

Superior performance

⁽¹⁾ Industry and competitor information represents statutory results per S&P Global Market Intelligence. Allstate information represents Allstate brand GAAP results for 2017-2021.

Competitive Advantage Creates Profitable Growth Opportunity

Homeowners insurance industry results

Competitors	Market Share ⁽¹⁾	U/W Income / (Loss) 2017-2021 (\$B)	Distribution Channel ⁽²⁾	DPW 5 Year Growth CAGR
Allstate ⁽³⁾	8.5%	\$3.3	Captive, IA, Direct	7.7%
State Farm	18.0%	(\$5.1)	Captive	4.6%
Liberty Mutual	6.9%	(\$0.2)	IA, Direct	5.2%
USAA	6.4%	(\$1.8)	Direct	8.6%
Farmers	6.1%	(\$0.9)	Captive	2.7%
Travelers	4.6%	(\$0.4)	IA	10.2%
American Family	4.1%	\$0.1	Captive, Direct	8.5%
Nationwide	3.3%	(\$3.3)	IA	1.6%
Chubb	2.6%	(\$0.9)	IA	3.7%
Progressive	1.8%	(\$0.8)	IA, Direct	19.1%
Total Industry	-	(\$22.5)	-	5.5%

8 of 9 competitors had underwriting losses

Expanding distribution capacity and integrating go-to-market actions

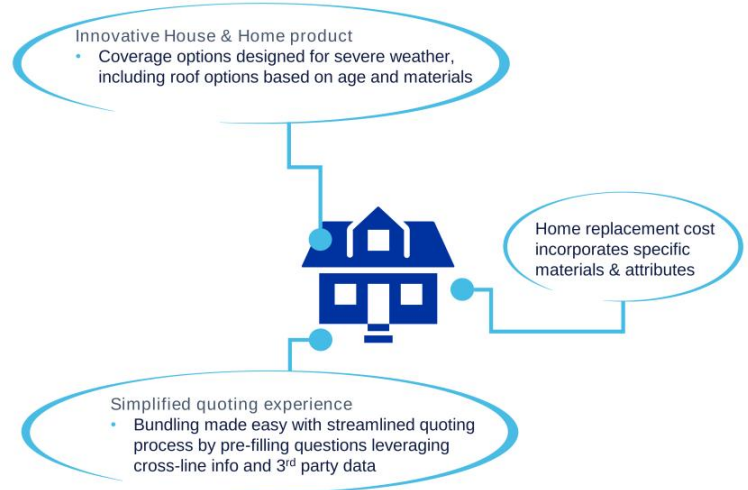
Source: S&P Global Market Intelligence; 5-year growth CAGR measures direct premiums written from 2016 – 2021 financial periods
⁽¹⁾ Market share reflects proportion of U.S. industry direct premium written in 2021
⁽²⁾ IA reflects independent agent channel
⁽³⁾ Allstate data reflects GAAP financial information for U/W income and net written premium 5-year CAGR

Sustaining Competitive Advantage Through Innovative Product Design and Advanced Risk Selection

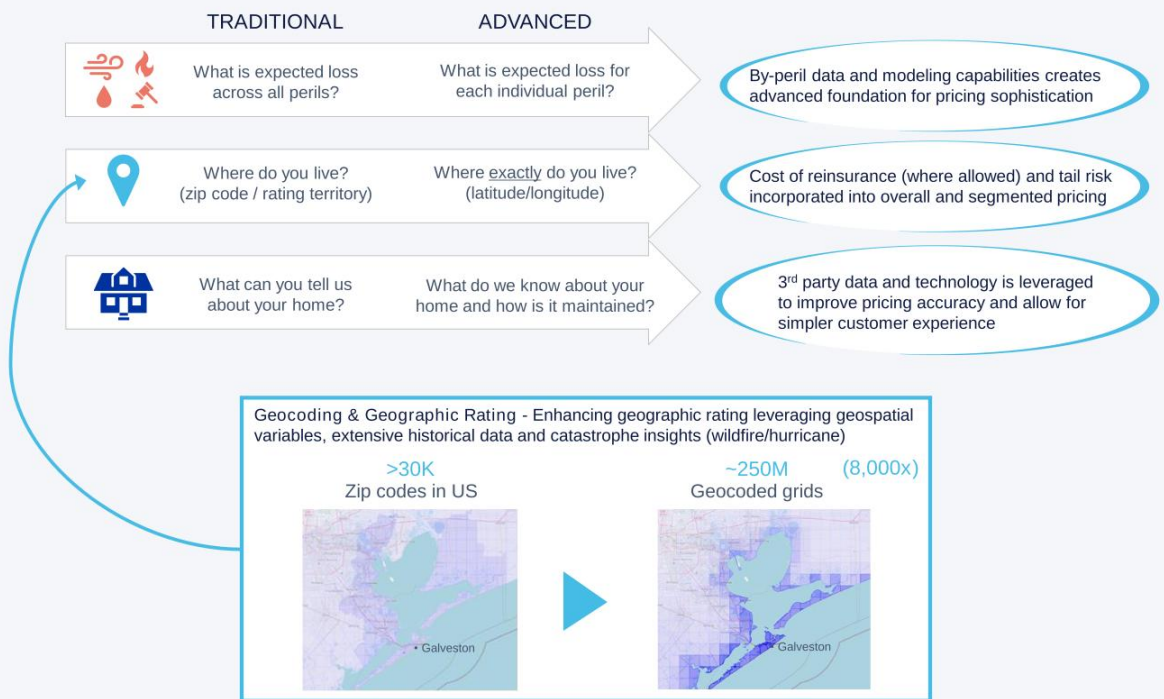
Enhanced Risk Selection

- Strategic targeted risk levels by geographic area
 - Coastal hurricanes
 - Inland tornados and hailstorms
 - Wildfires
- Coastal risk evaluation scoring
- Proprietary risk models inform home inspection decisioning
- Aerial imagery incorporated into risk assessment

Innovative Product Design and Experience



Pricing Sophistication Improves Segmentation and Ease of Business



Homeowners Insurance is a Growth Business

Despite low unit growth, homeowners insurance premiums increasing due to higher home prices and more severe weather

Inflation impacting home values and repair costs⁽¹⁾



Growth in premiums higher than auto insurance

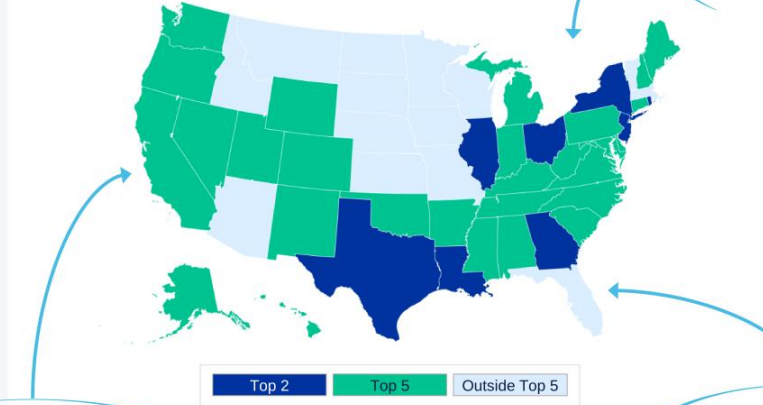
Increasing average premium per policy⁽²⁾



⁽¹⁾ Source: U.S. Bureau of Labor Statistics and CoreLogic
⁽²⁾ Reflects Allstate brand premiums; 2018 percent variance to prior year excludes Esurance

Allstate Meets Customer's Protection Needs Through Sophisticated Portfolio Management

Allstate Property Market Share Rankings⁽¹⁾



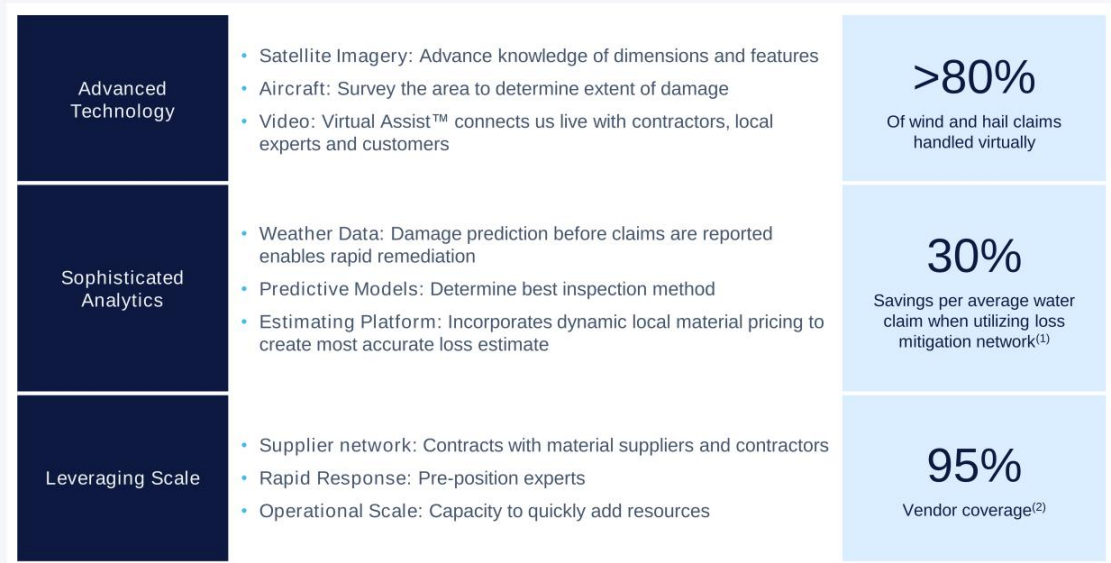
California market share has been reduced by more than 50% since 2007 due to wildfire risk

Florida market share less than 3% with separately capitalized companies and stand alone reinsurance program

Allstate underwrites risk in areas where return objectives can be achieved and Allstate agents broker \$1.6 billion of property premiums for other companies to provide bundled coverage to customers

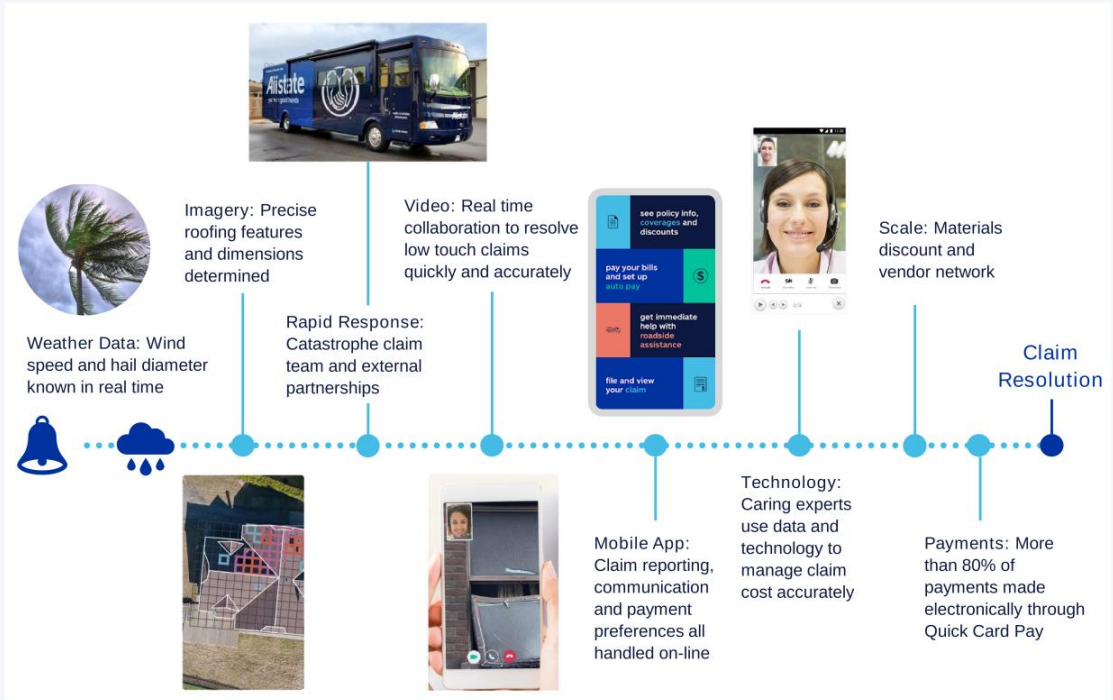
⁽¹⁾ Source: S&P Global Market Intelligence 2021 percent of direct written premiums; Includes homeowners, farmowners, condominium, renters and other personal property lines. Allstate market share excludes third party policies brokered through Ivantage

Allstate's Accurate and Efficient Claims Resolution Leverages Technology, Analytics and Scale

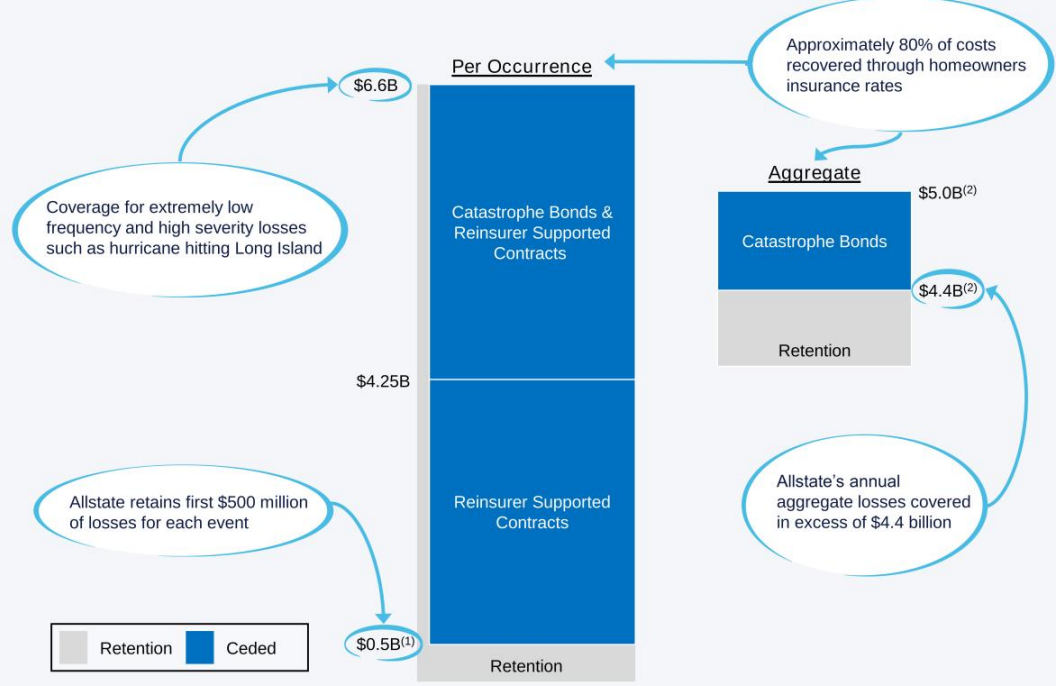


⁽¹⁾ Average savings on water claims handled in-network versus out of network
⁽²⁾ Countrywide availability of loss mitigation vendors

Allstate's Integrated Response Delivers Speed and Accuracy



Enterprise Risk Managed with Comprehensive Reinsurance Program



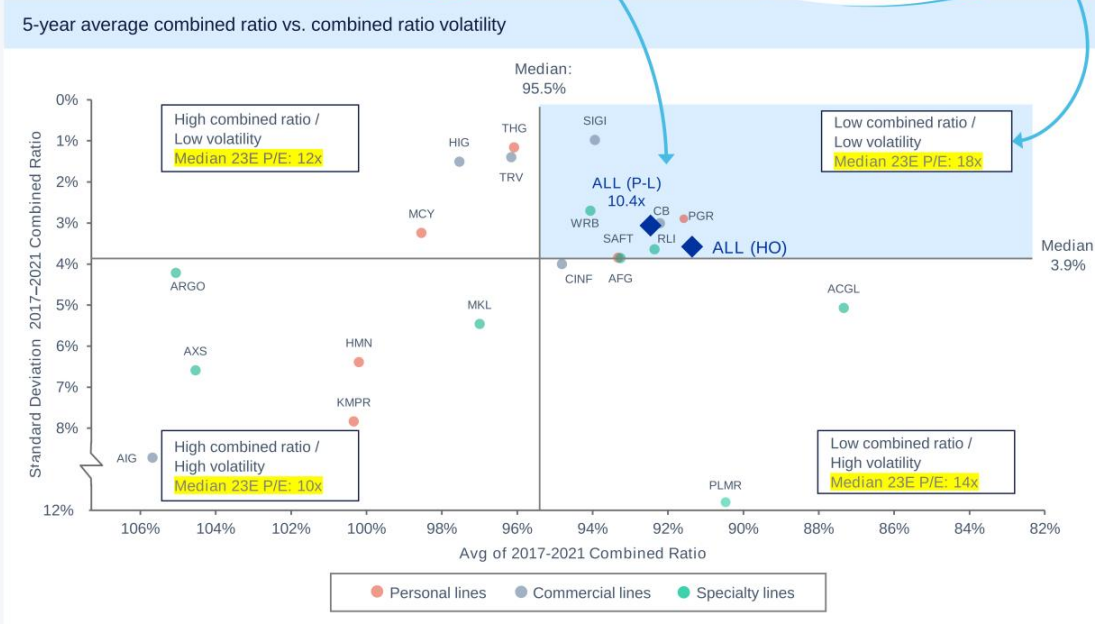
⁽¹⁾ Traditional contracts placed effective June 1, 2022 are structured with a first event retention of \$750 million and subsequent event retention of \$500 million

⁽²⁾ Annual aggregate cover approximated based on historical catastrophe experience. Details on individual catastrophe bond contracts are available within the Allstate 2022 Reinsurance Update

Allstate's Homeowners Insurance Generates Attractive Returns with Moderate Volatility

Allstate Property-Liability, homeowners and auto insurance perform in the top quartile

Market generally assigns valuation premium to insurers with consistently low combined ratios



Source: Company financials, SNL Financial, FactSet; Market data as of 5/31/2022; Note: Median excludes ALL (P-L) and ALL (HO)

Allstate's Homeowners Insurance Business is Significantly Undervalued at Current Price to Earnings Ratio



Source: Company financials, SNL Financial, FactSet; Market data as of 5/31/2022; Note: Median excludes Allstate
⁽¹⁾ Utilizes common shares outstanding of 275,707,503 as of March 31, 2022

Allstate is an Attractive Investment Opportunity

Allstate has delivered superior financial performance relative to peers

Financial metrics - Allstate vs. industry (5 years)			
Valuation metric	Allstate actual	Rank vs. 10 peers ⁽¹⁾	Percentile vs. S&P 500
Operating EPS CAGR	21.2%	#3	78%
Operating RoAE	16.8%	#2	57%
Cash yield ⁽²⁾	8.4%	#1	92%
Revenue growth CAGR ⁽³⁾	6.4%	#5	49%
Price / Earnings ⁽⁴⁾	10.4x	#8	20%

Valuation remains attractive and is below peers and the broader market

Source: FactSet; S&P Global Market Intelligence; Note: Market data as of 12/31/21; 5-year CAGR period or financial metrics measured from 2016 – 2021 financial periods

⁽¹⁾ P&C comparables includes North American P&C companies with a market cap of \$4 billion or greater as of year-end 2021

⁽²⁾ Represents annual dividends + buybacks divided by average market cap

⁽³⁾ Represents net premiums earned for insurance peers and revenue for S&P 500; Allstate represents sum of P&C and Accident and Health net premiums and contract charges

⁽⁴⁾ Based on price as of 5/31/22 and 2023 analyst consensus operating EPS estimates per FactSet



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 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 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, including the economic impacts from the recent military conflict between Russia and Ukraine; (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) restrictive regulations and regulatory reforms, including limitations on rate increases and requirements to underwrite business and participate in loss sharing arrangements; (25) losses from legal and regulatory actions; (26) changes in or the application of accounting standards; (27) loss of key vendor relationships or failure of a vendor to protect our data, confidential and proprietary information, or personal information of our customers, claimants or employees; (28) our ability to attract, develop and retain talent; and (29) 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.

