The Allstate Corporation

Second Quarter 2022 Earnings Presentation

08.04.2022

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 June 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

Allstate. You're in good hands.

NATIONAL GENERAL. an Allstate company

Answer financial

Leveraging Allstate brand, customer base and capabilities

Allstate PROTECTION PLANS

arity

Allstate BUSINESS INSURANCE

Expand Protection Services

Allstate IDENTITY PROTECTION

Allstate ROADSIDE

Allstate BENEFITS

Avail protected by Allstate

Allstate DEALER SERVICES

Second quarter 2022 highlights

- Executing comprehensive plan to improve profitability
  - Broadly raising auto and home insurance rates
  - Reducing expenses, advertising and growth investments
  - Implementing underwriting restrictions in underperforming states
  - Executing claims operating actions to manage loss costs
  - Policy growth will likely decline
- Advancing Transformative Growth strategy
- Protection Services generating profitable growth
- Reduced investment portfolio exposure to higher interest rates and economic recession
- Strong cash returns to shareholders

Allstate Is Focused on Improving Profitability

Increased Property-Liability earned premiums driven by higher average premium and growth in policies in force

($ in millions, except per share data and ratios)	Three months ended June 30, 2022	Three months ended June 30, 2021	Three months ended June 30, Change	Six months ended June 30, 2022	Six months ended June 30, 2021	Six months ended June 30, Change
Total revenues	$12,220	$12,646	(3.4%)	$24,557	$25,097	(2.2%)
Property-Liability insurance premiums	10,874	10,009	8.6%	21,372	19,905	7.4%
Accident and health insurance premiums and contract charges	466	447	4.3%	935	902	3.7%
Net investment income	562	974	(42.3%)	1,156	1,682	(31.3%)
Net gains (losses) on investments and derivatives	(733)	287	NM	(1,000)	713	NM
Income applicable to common shareholders:						
Net income (loss)	(1,042)	1,595	NM	(412)	187	NM
Adjusted net income (loss)*	(209)	1,149	NM	517	3,020	(82.9%)
Per diluted common share[(1)]						
Net income (loss)	(3.81)	5.26	NM	(1.49)	0.61	NM
Adjusted net income (loss)*	(0.76)	3.79	NM	1.85	9.90	(81.3%)
Return on Allstate common shareholders' equity (trailing twelve months)						
Net income applicable to common shareholders				4.0%	15.3%	(11.3) pts
Adjusted net income*				6.9%	23.8%	(16.9) pts

Lower equity valuations and losses on fixed income sales

Reflects underwriting loss and lower investment income

NM = Not meaningful

(1) In periods where a net loss or adjusted net loss is reported, weighted average shares for basic earnings per share is used for calculating diluted earnings per share because all dilutive potential common shares are anti-dilutive and are therefore excluded from the calculation.

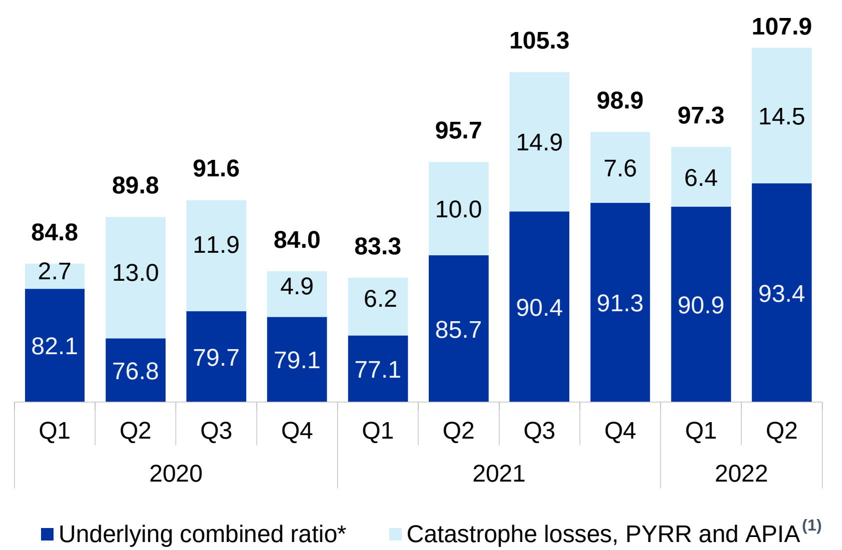
Allstate

Underwriting Margins Impacted by Higher Loss Costs

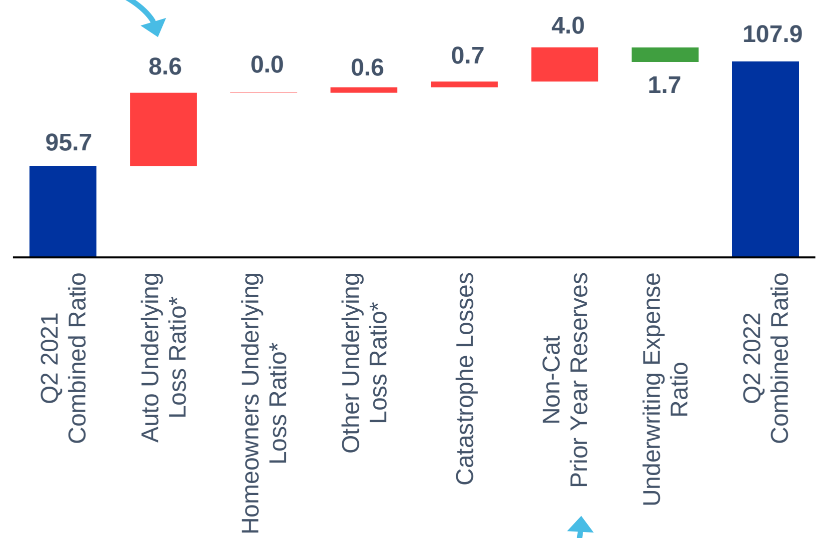
Underlying margin pressure driven by rapid severity escalation beginning in 2021

Impact of rising severities outpacing implemented rate increases

Property-Liability recorded and underlying combined ratio*



Property-Liability combined ratio drivers



Prior year reserve reestimates of $411 million in second quarter primarily for personal auto, commercial auto and homeowners insurance

(1) Reflects combined ratio impact of catastrophe losses, prior year reserve reestimates and amortization of purchased intangibles

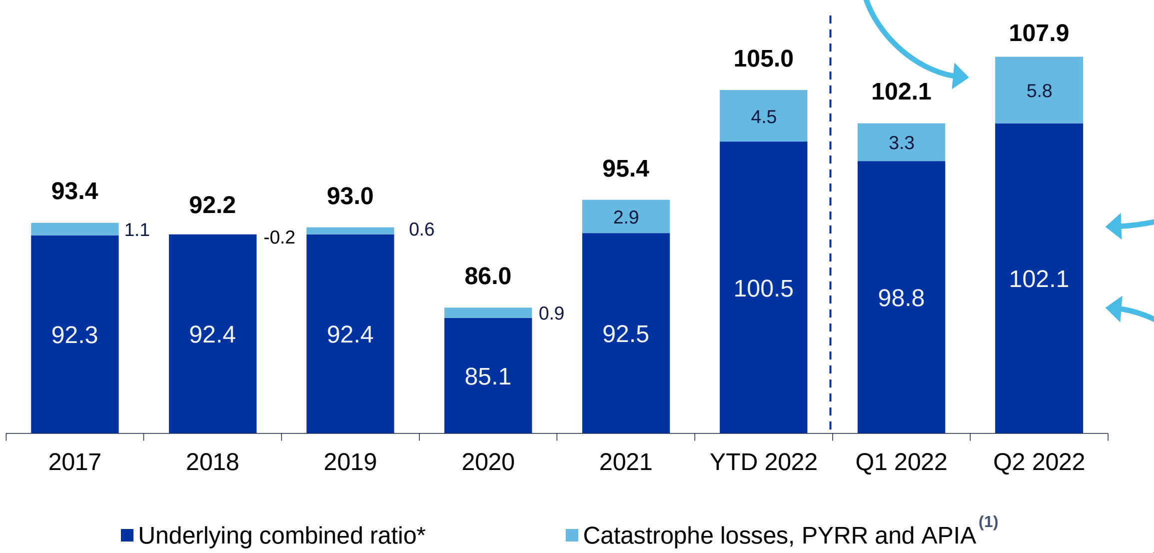
Allstate

Auto Insurance Continues to Be Impacted by Rising Loss Costs

Prior year non-catastrophe reserve strengthening of $275 million for physical damage and bodily injury coverages

2022 report year incurred severity[2] for collision, property damage and bodily injury coverages are 16%, 12% and 9% higher than full report year 2021 (Q2 year over year increases of 22%, 22% and 16%, respectively)

Allstate Protection auto combined ratio



Property damage and collision gross claim frequency[3] above prior year quarter by 7.1% and 5.1% but remain below pre-pandemic levels in the second quarter

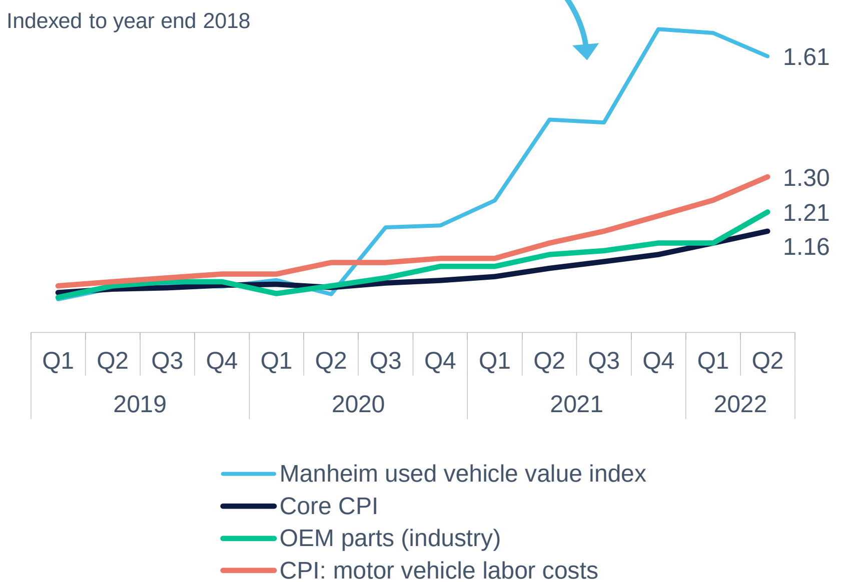
(1) Reflects combined ratio impact of catastrophe losses, prior year reserve reestimates and amortization of purchased intangibles
(2) Allstate brand report year severity excluding Esurance and Canada
(3) Allstate brand gross claim frequency excluding Canada

Physical Damage Loss Development Significantly Higher than Historical Trends

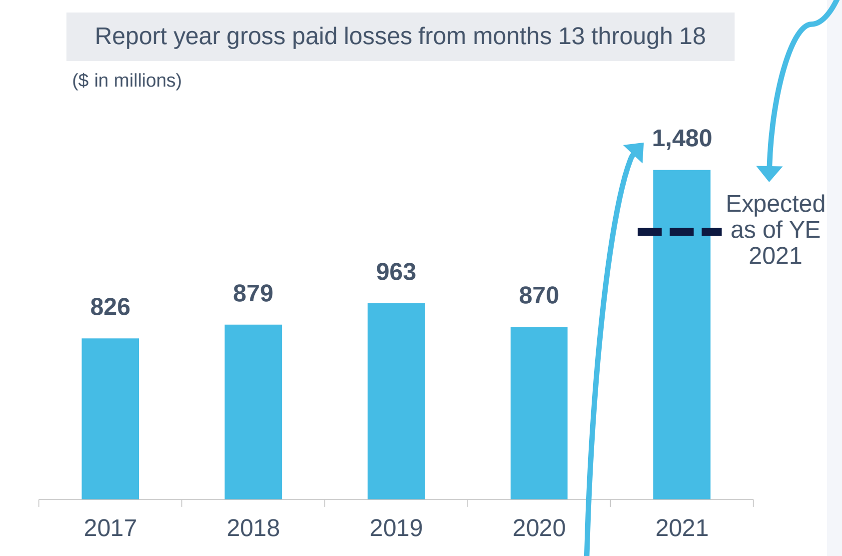
Higher used car values, parts prices and labor rates increase auto claim severities

Expected to pay out ~$1.25 billion in losses during the first 6 months of 2022 for claims reported in 2021; ~40% higher than prior four years

Price Indices[1]



Auto physical damage gross paid loss development[2]



Actual payments of $1.48 billion were $230 million higher than recorded in 2021 year end reserves

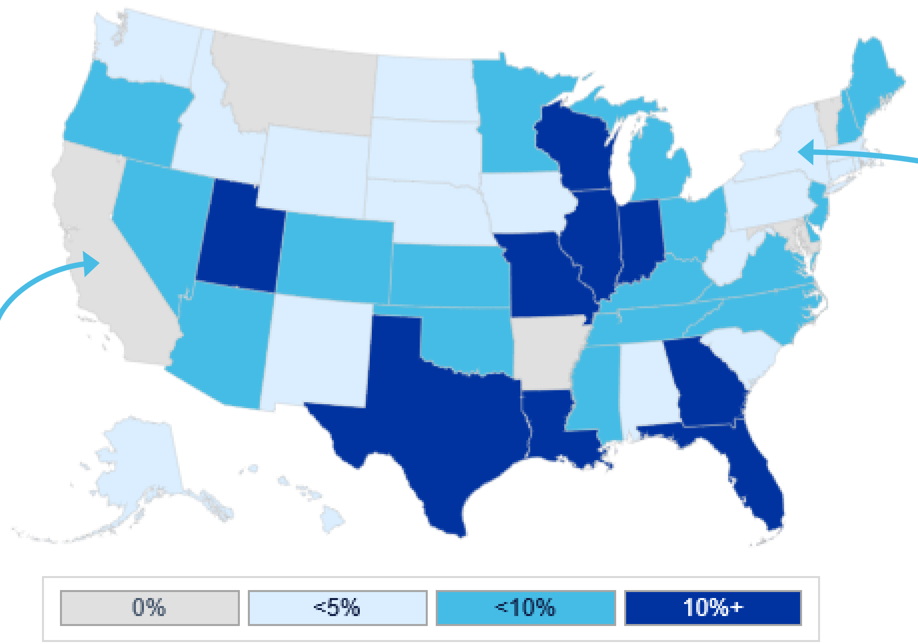
[1] Source: Manheim Used Vehicle Value Index; U.S. Bureau of Labor Statistics seasonally adjusted; CCC original equipment manufacturer industry average price per part
[2] Reflects Allstate brand auto excluding Canada; Includes property damage, collision and comprehensive coverages combined

Implementing Significant Auto Insurance Rate Increases

Implemented rate increases in majority of states during first half of 2022; Allstate brand annualized written premium impact of 6.1%

Allstate brand auto implemented rate from Q1 2022 through Q2 2022

Reducing new business in states without appropriate rates



NY: Represents ~9% of Allstate's auto insurance premium; implemented rate from flex filing but requires additional rate increases

CA: Represents ~12% of Allstate's auto insurance premium; filed for 6.9% in Q2 but requires additional rate increases

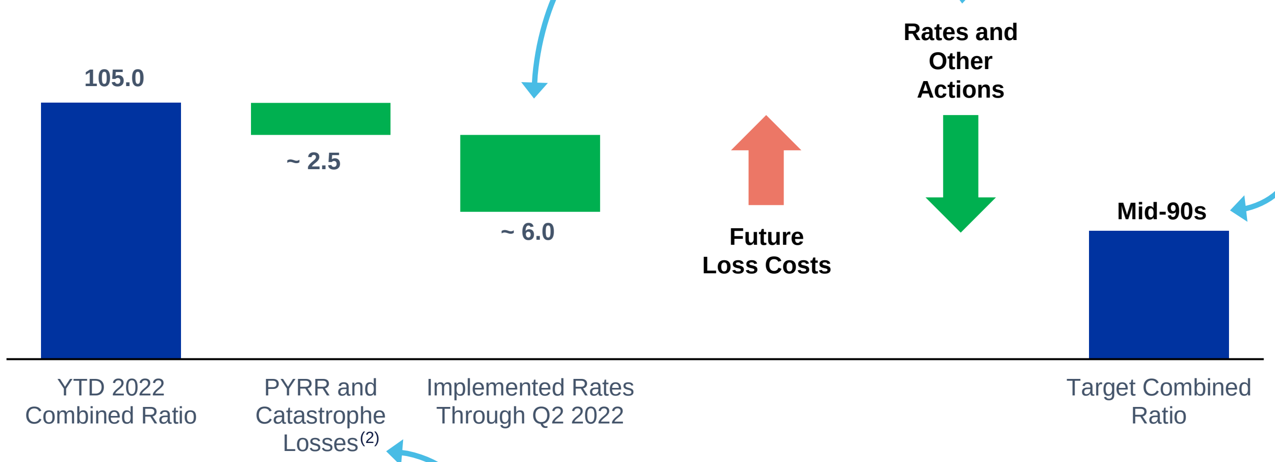
Rate Actions to Date Will Improve Auto Insurance Profitability; Additional Actions Needed to Offset Future Loss Cost Increases

Impact of rate actions already implemented when fully earned[(1)] will increase annual premiums by approximately $1.7 billion

Pursuing larger rate increases in the second half of 2022 relative to the first half

Allstate Protection auto recorded combined ratio

(Illustrative)



Prospective rate and other actions need to more than offset future loss increases to achieve long-term target

Removes prior year reserve reestimates and adjusts catastrophe loss ratio to 5-year historical average

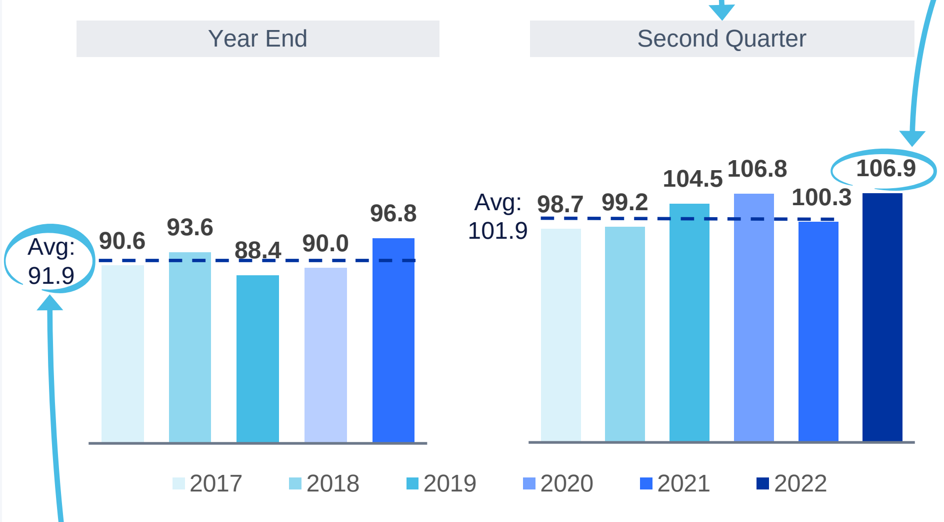
[(1)] Estimated increase to earned premiums from rate increases implemented assuming 85% translates into written and ultimately earned premiums
[(2)] Adjusts combined ratio for impact of prior year reserve reestimates year to date and normalizes impact of catastrophe losses to average of the last 5 years

Homeowners Combined Ratio in Second Quarter Influenced by Seasonality and Inflation; Growth Driven by Higher Average Premiums

The second quarter combined ratio has been higher than full year results, primarily due to higher catastrophe losses in the quarter

Reflects higher catastrophe losses and unfavorable non-catastrophe prior year reserve reestimates (1.7 point combined ratio impact) partially offset by higher premiums

Allstate Protection homeowners combined ratio



Allstate Protection homeowners operating statistics

	Q2 2022	Var to PY	Q2 YTD	Var to PY
Written premium ($ in millions)	$3,133	15.1%	$5,534	15.2%
Average premium gross written ($) (1)	1,590	13.2%	1,574	13.7%
Combined Ratio	106.9	6.6 pts	95.8	1.2 pts
Underlying Combined Ratio*	70.3	0.8 pts	69.7	1.1 pts
Policies in Force (in thousands)			7,197	1.2%

(1) Reflects Allstate brand homeowners

Allstate homeowners insurance generates attractive returns over the long-term with superior performance relative to peers

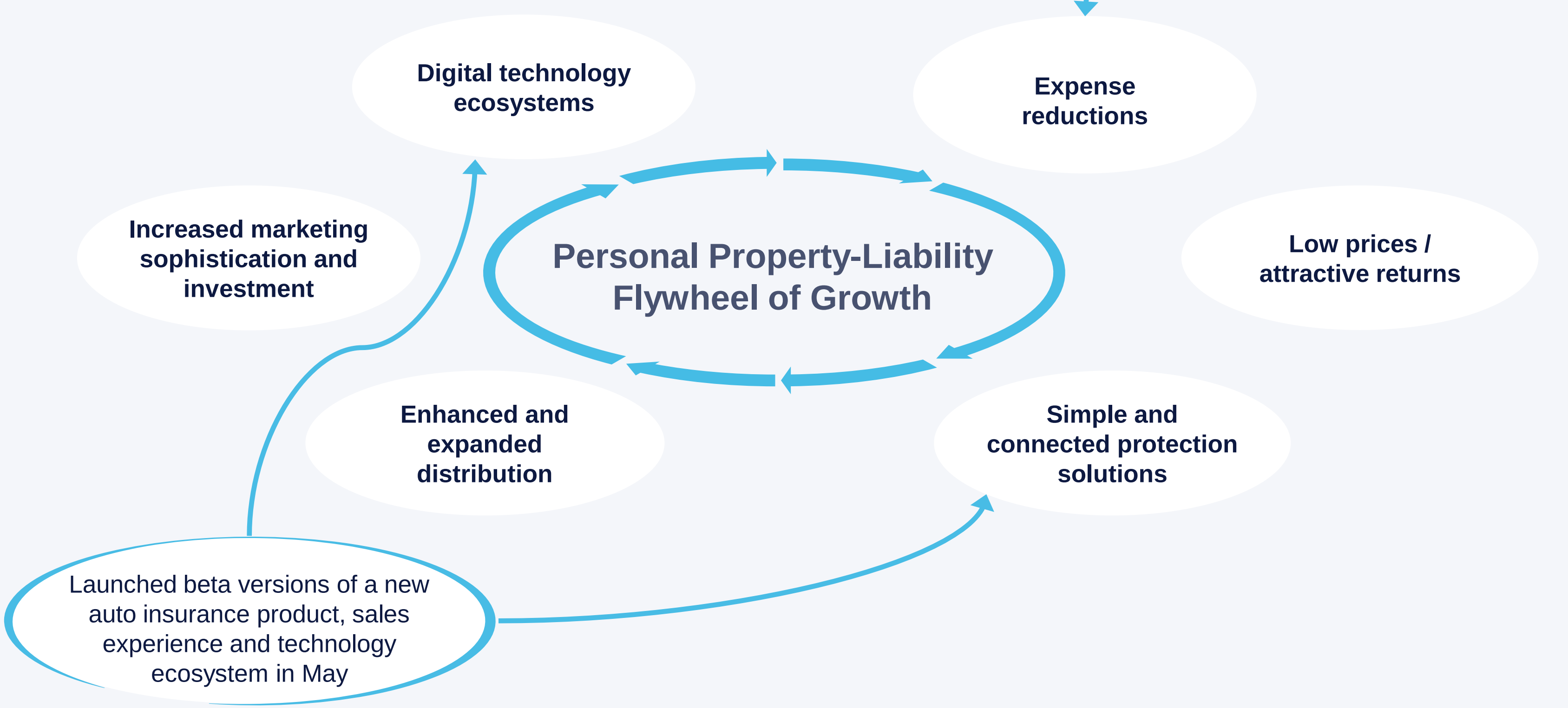
Increased average premiums, primarily due to inflation in insured home valuations and implemented rate increases

Transformative Growth Will Improve 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
- Deploy new technology ecosystems
- Enhance organizational capabilities

On-pace and committed to long-term objective to reduce adjusted expense ratio* to approximately 23.0 by year end 2024[(1)]



[(1)] A reconciliation of this non-GAAP measure to the expense ratio, a GAAP measure, is not possible on a forward-looking basis because it is not possible to provide a reliable forecast of future expenses and targeted reductions as of the reporting date

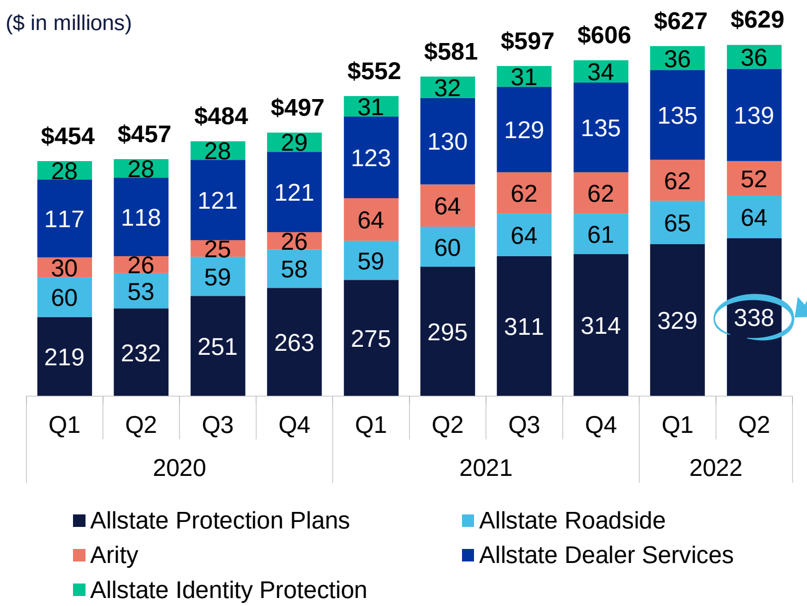
Allstate

Protection Services Revenue Growing While Investing in Future Expansion

Allstate Protection Plans revenues of $338 million increased 14.6% compared to the prior year quarter

Decrease in Allstate Protection Plans adjusted net income reflects investments in growth

Protection Services revenues[1]



Protection Services results

($ in millions)	Three months ended June 30,		Six months ended June 30,	
	2022	Var to PY	2022	Var to PY
Revenues[1]	**$629**	**8.3%**	**$1,256**	**10.9%**
Written Premium	**$670**	**(3.2%)**	**$1,300**	**2.0%**
Allstate Protection Plans	456	(2.4)	885	3.5
Allstate Roadside	51	6.3	104	9.5
Allstate Dealer Services	163	(7.9)	311	(4.3)
Adjusted Net Income (Loss)	**$43**	**($13)**	**$96**	**($9)**
Allstate Protection Plans	36	(6)	79	(8)
Arity	(1)	(2)	(2)	(5)
Allstate Roadside	1	(1)	3	(3)
Allstate Dealer Services	8	(2)	17	(1)
Allstate Identity Protection	(1)	(2)	(1)	8
Policies in Force (M)			**144.7**	**(1.6%)**

[1] Protection Services revenues exclude the impact of net gains and losses on investments and derivatives

Decline due to expiring Allstate Protection Plans warranties from a major retail account that ended in 2019 and lower retail sales compared to the prior year

Allstate

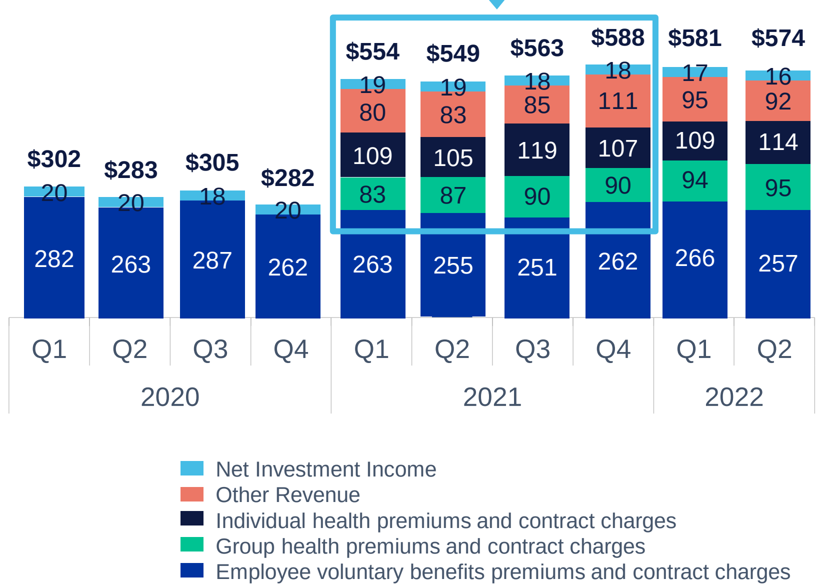
Allstate Health and Benefits Growth Through Expanded Protection Offering

Breadth and size of the business expanded with the National General acquisition

Increased revenue partially offset by higher benefit ratio

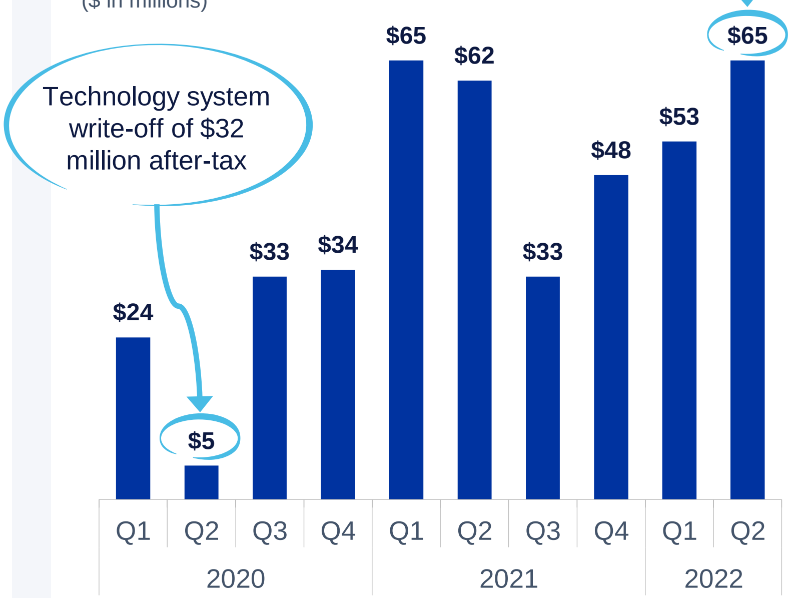
Health and Benefits revenues[1]

($ in millions)



Health and Benefits adjusted net income

($ in millions)



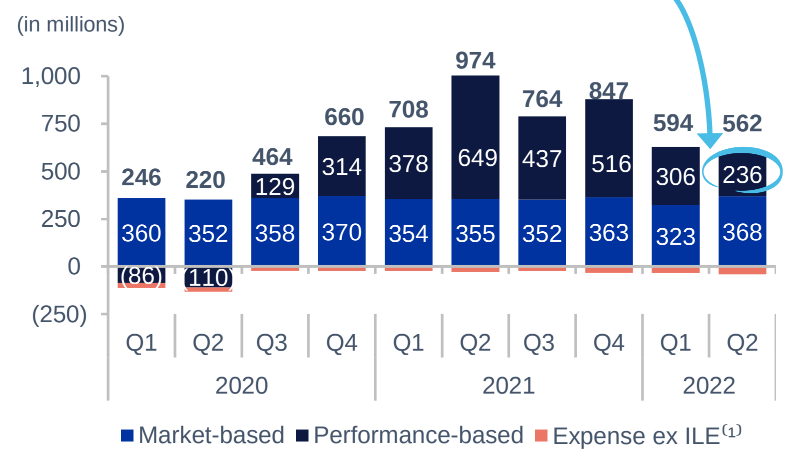
(1) Health and Benefits revenues exclude the impact of net gains and losses on investments and derivatives

Net Investment Income Benefited From Increased Reinvestment Yields; Proactive Portfolio Management Protected Portfolio Value

Performance-based income benefited from diversification as lower private equity returns were offset by income from real estate and other asset classes, including infrastructure investments

Reduced duration to mitigate negative valuation impact of higher interest rates ($1.3 billion benefit)

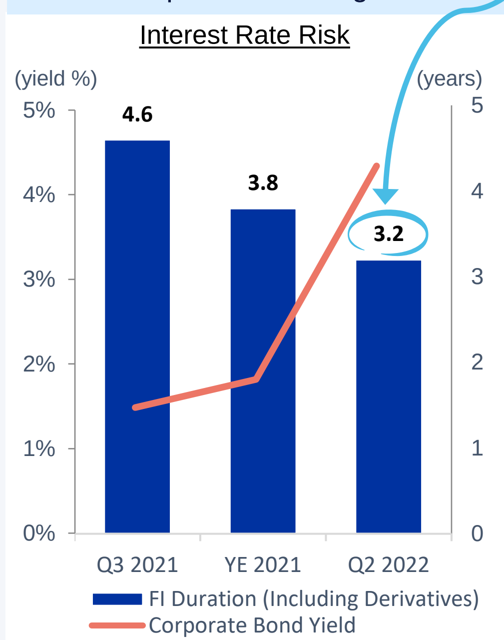
Net investment income

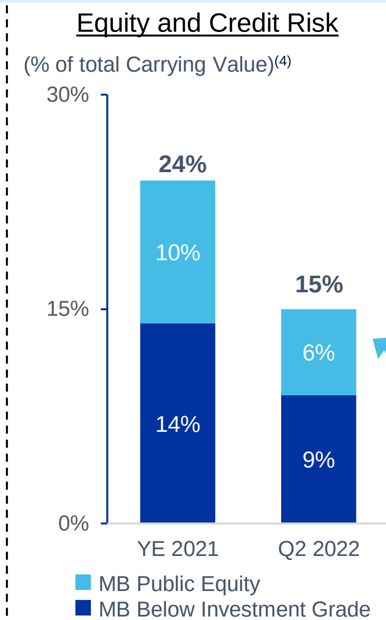


% Total Return	(2.1)	4.8	1.8	2.7	(0.2)	2.6	1.0	1.1	(2.8)	(2.8)
% Total TTM[2]	3.9	5.9	5.9	7.2	8.8	6.8	6.0	4.4	1.8	(3.5)

Negative total return due to reduced valuations of bonds and equities

Proactive portfolio management[3]





Reduction in recession and inflation sensitive assets also mitigated negative impact of higher market yields and public equity market decline

(1) Investee level expenses (ILE) comprised of asset level operating expenses are netted against market-based and performance-based income
(2) Trailing twelve months
(3) Fixed income duration includes interest rate derivative positions. Corporate Bond Yield is intermediate maturity sourced from Bloomberg
(4) Market-based (MB) portfolio only; Fixed income ETFs are included in equity securities in our consolidated balance sheet but are included in their respective risk categories

Allstate

Strong Cash Returns to Shareholders

Strong cash returns through combination of $1,477 million in share repurchases and $466 million in common shareholder dividends

Achieving our target combined ratios will generate returns in our 14-17% target range

Capital Position

	6/30/2021	6/30/2022	Inc / (Dec)
Adjusted net income return on equity*	23.8%	6.9%	(16.9) pts
Cash returned to common shareholders (in billions)	$1.57	$1.94	23.6%
Common shares outstanding (in millions)	296.9	271.2	(8.7%)
Quarterly common shareholder dividend	$0.81	$0.85	4.9%
Deployable holding company assets (in billions)	$4.30	$5.13	19.3%

$1.8 billion remaining on the $5.0 billion common share repurchase program as of June 30, 2022

®

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.