



2019 CORPORATE RESPONSIBILITY REPORT

Our commitment to deeper investments with deeper impacts has strengthened and broadened our corporate responsibility efforts



• OUR PLEDGE FOR DIVERSITY

OURS TO SUSTAIN • INSPIRE P

• OUR INSPIRATION FORWARD •

• GREAT CUSTOMER EXPERIENCE

PROTECTING WHAT MATTERS

• EMPOWERING DREAMS • C

AT THE FOREFRONT OF CLIMATE

• SUPPORTING ENTREPRENEU

DIFFERENCE-MAKER • EMPLOY

• WE WORK BE

ITY, EQUITY AND INCLUSION •
PROTECT AND RESTORE DREAMS
• WE CAN AND WILL DO MORE •
NCES • DRIVEN BY PURPOSE •
MOST • CLOSING EQUITY GAPS
ONNECTING COMMUNITIES •
E ACTION • DEEP INVESTMENT
RS & ECONOMIC FUTURES •
YEE WELL-BEING AND GROWTH
ST WHEN WE WORK TOGETHER

PROTECTING WHAT MATTERS MOST

In 1927, American Family Insurance founder Herman Wittwer had a dream. He didn't think it was right that Wisconsin farmers were paying the same for auto insurance when they weren't driving as much, especially during rough winters.

Herman believed those farmers deserved better, so he formed Farmers Mutual Automobile Insurance Company. It was his dream – one that's lasted 92-plus years and that's been reaffirmed by so many who followed in his footsteps at Farmers Mutual (and eventually, American Family Insurance).

His story – our story – provides some terrific perspective today, because we continue to live in unfair times. While our team was pulling this year's Corporate Responsibility Report together, highlighting our 2019 impact and investments, the 2020 COVID-19 pandemic arrived. The experience has made us all acutely aware of how many, before the pandemic and now, continue to suffer through no fault of their own.

For American Family employees and agency owners, this pandemic became our Herman Wittwer moment. It's been a chance to put our values and beliefs into action when our customers and communities needed us most – all while protecting what matters most.

Our commitment to deeper investments with deeper impacts has strengthened and broadened our corporate responsibility efforts.

In 2019, we began to work in targeted ways to support our communities, through talent recruitment and development, education and environmental sustainability – work that has continued into 2020. We provided customers with hundreds of millions of dollars in premium relief. And we've ensured our people are working safely while continuing to serve our customers.

At the same time, our country continues to see a deep-seated unfairness for people of color. They've suffered disproportionately because of societal inequities, not only during COVID-19, but throughout our nation's history.

Identifying and solving root causes of this suffering is complex. Doing so requires courage, compassion, innovation, honesty and accountability – traits that Herman displayed when he founded our company. I believe this work also requires people of privilege to stand up for – and with – our communities. To listen, learn and educate others.

I believe businesses must stand up, too.

At American Family, we want to serve our customers. We achieve this with the best talent, benefits and company culture. As a company and an enterprise, we also want strong communities that equitably serve *everyone*. All these things are rooted in our company strategy. They are connected. And they show we are committed to tackling problems weighing our society down – because it's good for our communities AND good for business.

We want to help fix the structural cracks that have deepened recently. We can and will do more. This work is hard, and for us, it is work in progress. It requires leadership, strong partnerships and many voices, and it's not something government can solve alone.

American Family Insurance is well equipped to do this work with diverse, committed and passionate leaders ready to jump in. From large corporations to small non-profits, to community groups and government agencies – we're ready to partner with those who share our urgency.

This moment in time is defining a generation, but the pieces were already in place. That's especially true for American Family. As you'll read in this 2019 report, what we've done in the past few months built upon our work in this past year and the year before that – all the way back to Herman's Wittwer's time.

This work reflects our values. It demonstrates American Family's support for our customers and communities. It's the right thing to do. And, I know Herman would approve.



“We want to help fix the structural cracks that have deepened recently.
We can and will do more.”
—**JACK SALZWEDEL,**
Chair and CEO, American Family Insurance



Chair and CEO Jack Salzwedel speaks to enterprise leaders at the 2019 Leadership Rally.

1 PROTECTING WHAT MATTERS MOST

2 OUR STORY

3 DEEP INVESTMENT

4 OURS TO SUSTAIN

5 INVESTING IN OUR COMMUNITIES

6 SUSTAINING OUR ENVIRONMENT

7 EMPOWERING OUR PEOPLE

8 CLOSING EQUITY GAPS

9 AGENCY OWNERS

10 APPENDIX

CONTENTS

SECTION



ONE



PROTECTING WHAT MATTERS MOST



SOCIAL IMPACT



Upper image: The Institute created an audience award for Startup Runway in Atlanta, the largest pitch event for female founders and founders of color in the southeast.

Lower image: Graduates from the CEOs of Tomorrow program, sponsored by the Institute, celebrate their accomplishment at American Family's Spark Building in Madison.

CLOSING GAPS AND EMPOWERING DREAMS

We all have dreams. We all have passions. We all have beliefs. We also face complex challenges that threaten them all.

At American Family Insurance, we are committed to action in a world where trust in long-standing institutions is waning, where corporations can leverage their values and influence to drive positive change for society. Customers want to do business with companies that share their principles – and act on them.

- *More than 40% of the U.S. is considered racially and ethnically diverse. By 2045, there will be no racial majority in our country.¹*
- *Outstanding student-loan debt increased by \$10 billion to a total of \$1.51 trillion at the end of 2019, second only to national housing debt.²*
- *Nearly a third of U.S households pay more than 30% of their income for housing. Cost-burdened renters outnumber cost-burdened homeowners by 3 million households.³*
- *One in three adults in America has a criminal record. Our culture of mass incarceration blocks people with arrest and conviction records from getting jobs. The single most important predictor of recidivism is joblessness. Nearly 75% of formerly incarcerated individuals are still unemployed a year after release.⁴*
- *In the United States, almost half of adults (46.4%) will experience a mental illness during their lifetime and nearly 44 million adults will experience a mental illness in any one year.⁵*

LOOKING DEEPER

Identifying and solving the root causes of society's challenges requires courage, compassion, innovation and accountability. When multiple voices are heard, solutions can be achieved.

Equity gaps are affecting the communities where we live and work. More access to healthy youth development and education provides more stable incomes, housing and opportunities. And that ultimately leads to further growth for individuals and for American Family Insurance.

Talking about issues such as racism and individual and institutional accountability—and changing behaviors in these areas—is hard. It doesn't happen overnight. We are committed to doing the work to ensure our deep commitment to diversity, equity and inclusion. We recognize what the data tells us.

At American Family Insurance, we've seen this data and it's compelling us to act. We plan to serve as a catalyst for conversation and innovation in these areas, transcending traditional norms and sparking ideas with the mission of protecting everyone's dreams.

We believe everyone deserves the right not just to dream of, but to live, a dignified, economically secure and loving life. We will work to close equity gaps today – so all are empowered to dream tomorrow.



A native prairie at American Family's Headquarters is an integral part of our local climate action strategy.

CLIMATE ACTION

CLIMATE MOMENTUM

Climate change awareness and action took center stage in 2019 and dominated headlines. Youth around the world demanded change. In September 2019, a youth-led movement climaxed with nearly 7.5 million people marching for a more resilient and just future.

This momentum has inspired governments, corporations and organizations to take action. For American Family Insurance, action on climate change is not only the right thing to do for our company, but also for our customers and the communities we serve. By mitigating and adapting to climate change impacts, we are enhancing the resilience of our business while ensuring we continue to protect, inspire and restore dreams.

GLOBAL & NATIONAL IMPACTS

- *For the first time in the survey's 10-year outlook, the 2019 World Economic Forum Global Risks Report ranked the top five global risks, in terms of likelihood, as being all environmental. Climate action failure ranked as the number one global risk in terms of impact. Climate risk and other environmental risks surpassed all other risks.⁶*
- *Six of the top 10 costliest disasters were flood-related, with inland flooding being the costliest at \$82 billion worldwide. The last two years were the costliest back-to-back years for public and private insurers on record.⁷*
- *2019 was the fifth consecutive year we witnessed 10 or more billion-dollar weather and climate disaster events impacting the United States.⁸*

LOOKING FORWARD

The insurance industry is at the forefront of climate action, serving as one of the primary mechanisms for risk valuation, monetization, transfer and recovery. We have the opportunity to lead.

As part of its corporate responsibility commitment, American Family is developing strategies to better understand the impact of a changing climate. We're leading in innovative technological and product development, including use of drone technology in claims adjusting. We're also investing in impact startups specializing in community resilience. And we plan to leverage our experience in climate analytics and risk assessment to create innovative climate-related solutions while protecting our customers and communities.

By taking action to preserve and protect the future of our planet, we ensure all are empowered to dream tomorrow.



Named among Best Places to Work for LGBTQ Equality by the Human Rights Campaign Foundation, earning a perfect score of 100% on the Corporate Equality Index.



Awarded a LEED Gold Certification for high performance in water savings, energy efficiency, indoor environmental quality and innovation.



Awarded a Green Masters Certificate from the Wisconsin Sustainable Business Council.



Earned "W" recognition from the Women on Boards for having at least 20% of all company board of director seats held by women. Four of the 12 American Family board members (33%) are women.



Recognized by Milwaukee Business Journal with the Corporate Citizenship Award.



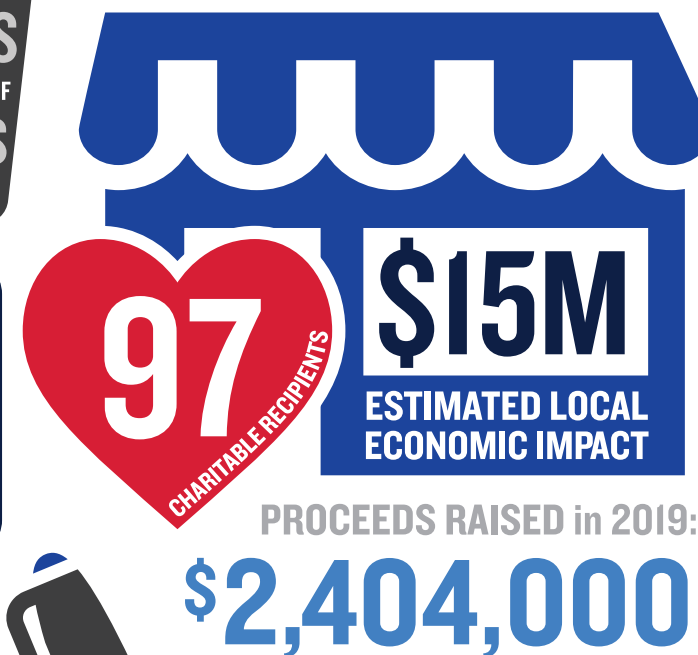
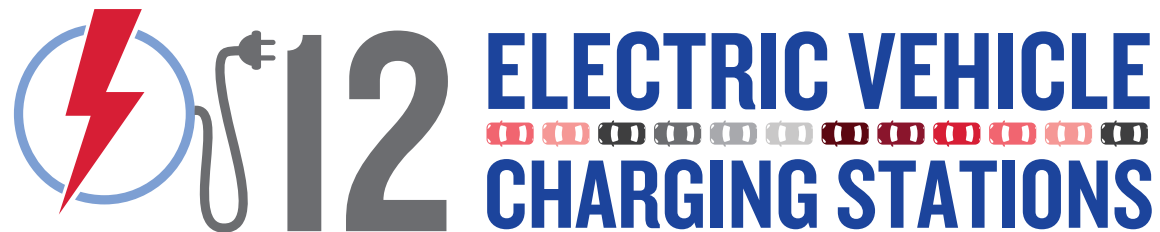
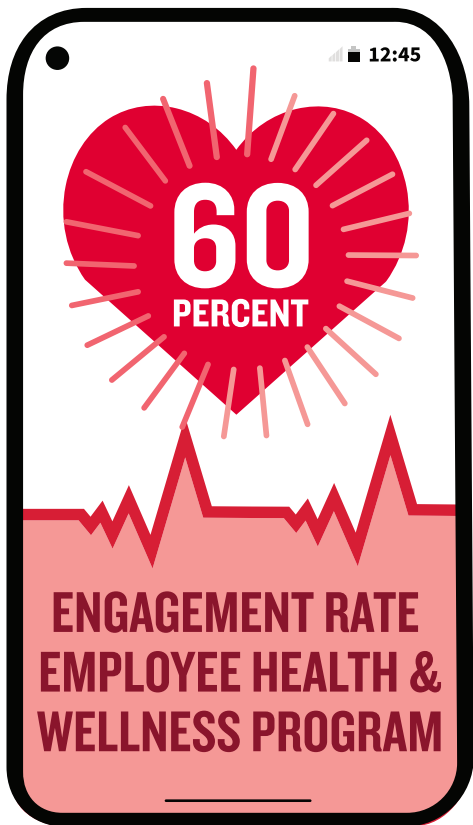
Ranked first in renters and ninth in homeowners in the J.D. Power Property Claim Satisfaction Study.



Ranked 306 on the Fortune 500 list.



Recognized for resilient design/construction for the Spark building in Madison, Wis. This was the first FORTIFIED Commercial™ High Wind and Hail Gold designation awarded by the Insurance Institute for Business & Home Safety.



OUR INSPIRATION FORWARD

Not only is American Family Insurance making deep investments in our communities and in our sustainability efforts, we're also committed to the future in the way we invest in our employees and recruit our talent.

We've found that our strongest way forward is through our people – our diverse, innovative and dedicated employees. Giving them the tools they need to succeed, through targeted training, mentorships and professional challenges, has put our company on a pathway that helps us grow and allows us to achieve transformational change that aligns with our values.

TRANSFORMATION


American Family is developing innovative products that protect our customers and their dreams. We're attracting highly skilled specialists in data science, software engineering, data analytics and other advancing fields to create a stronger foundation for our expanding business.

The end result is momentum from a place of strength, allowing us to meet ever-changing challenges for our customers, within our company and within our communities.

As we integrate our work with new technologies and new thinking, we've committed ourselves to a process of learning and growth for our employees. Initiatives such as Changing Nature of Work and Ignite—our process improvement and innovation area—broaden our belief in what's possible, as individuals and as a company.

We've established pathways for learning that are igniting new conversations and opening doors to new ideas. We support diverse sources for education in essential future skills, such as data and digital literacy, emotional intelligence, growth mindset, inclusive excellence and transformational leadership.

We're at a point where we can deploy the right people, assets, data and capabilities to tackle new risks and seize opportunities. The acceptance of varying points of view built on new knowledge has the potential to help us create great change in the way we protect our customers and support our communities.



“ We recognize the changing nature of work requires a comprehensive approach to developing our existing workforce, attracting top talent and supporting a highly collaborative and agile work experience. Because of that, we launched a robust learning portal that supports our diverse workforce with the necessary skills to compete in the future while elevating the individual learner experience. **”**

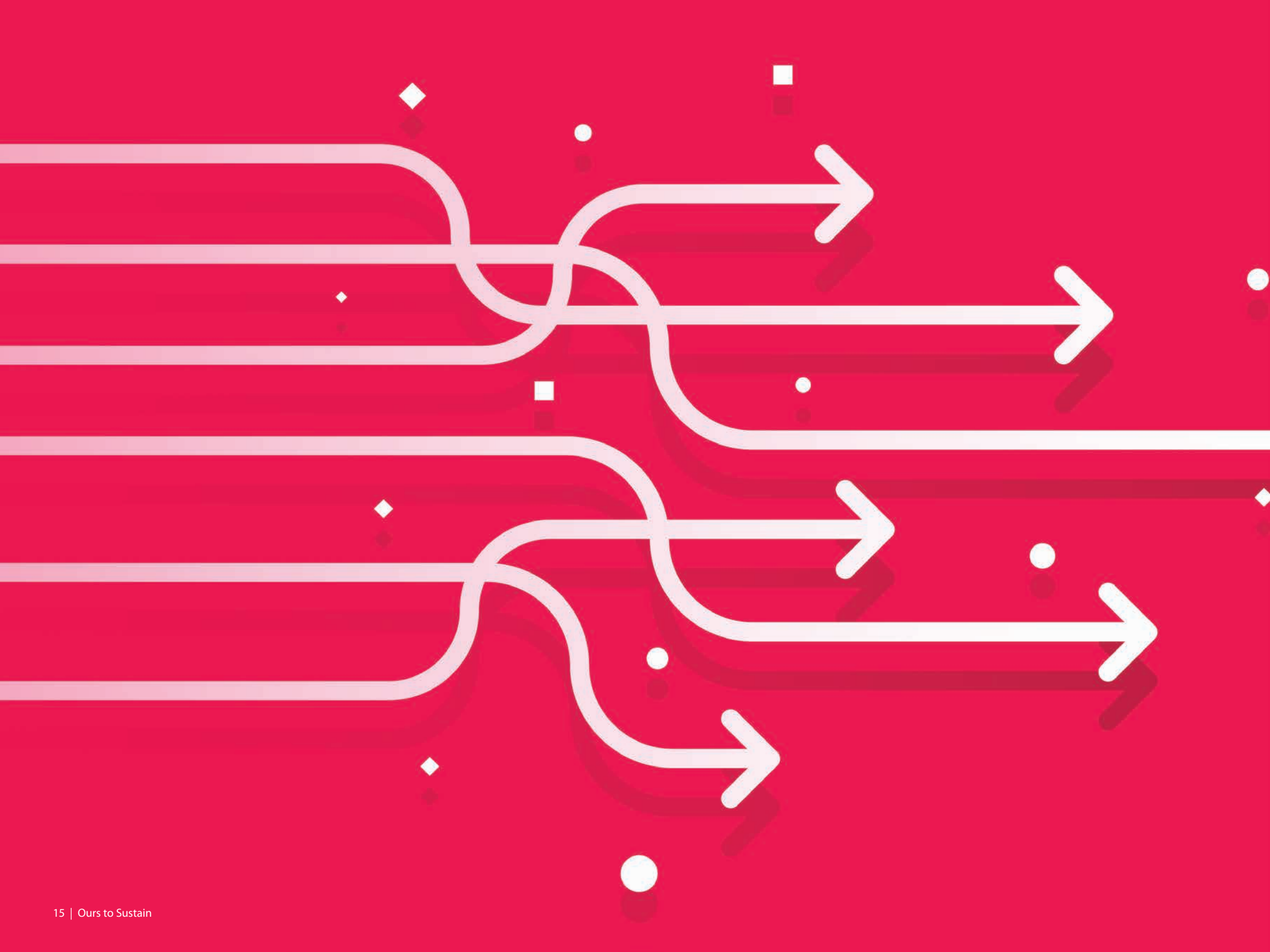
–JAN KITTOE,

Talent Development and Ignite Vice President

“ At American Family, we inspire, protect and restore dreams. In the digital era, that means putting the best talent into a culture of innovation to reinvent an industry that makes everyone’s lives better. **”**

–AMAN CHADHA,

Talent Acquisition Vice President





SECTION TWO

OUR STORY

WHO WE ARE

Madison, Wisconsin-based American Family Insurance Group is the nation's 13th-largest property/casualty insurance group and is ranked No. 306 on the 2019 Fortune 500 list. The company sells American Family-branded products, including auto, homeowners, life, business and farm/ranch insurance, primarily through its exclusive agency owners in 19 states.

American Family Insurance is the 4th largest Wisconsin-based company with revenues of \$12.1 billion in 2019. American Family Affiliates (The General, Homesite, Main Street America, Networked Insights, and CONNECT, powered by American Family Insurance) also provide options for consumers who want to manage their insurance matters directly over the internet or by phone. Affiliate Main Street America sells insurance products through independent agents. When including Main Street America, The General, Homesite, Networked Insights and CONNECT, the American Family Enterprise has nearly 13,500 employees, roughly 2,500 agency owners and 3,500 independent agents.

OUR PURPOSE

At American Family, we're dedicated to inspiring, protecting and restoring your dreams – because we believe a dream is the most valuable thing you'll ever own, and we know it takes a lot of hard work to pursue what's important to you. That's why we make it our mission to give you the support and inspiration you need every step of the way. As a mutual company, our policyholders are our owners. That means doing what's right for them, as well as our employees, our communities and our environment. That commitment is foundational to everything we do.

OUR MISSION

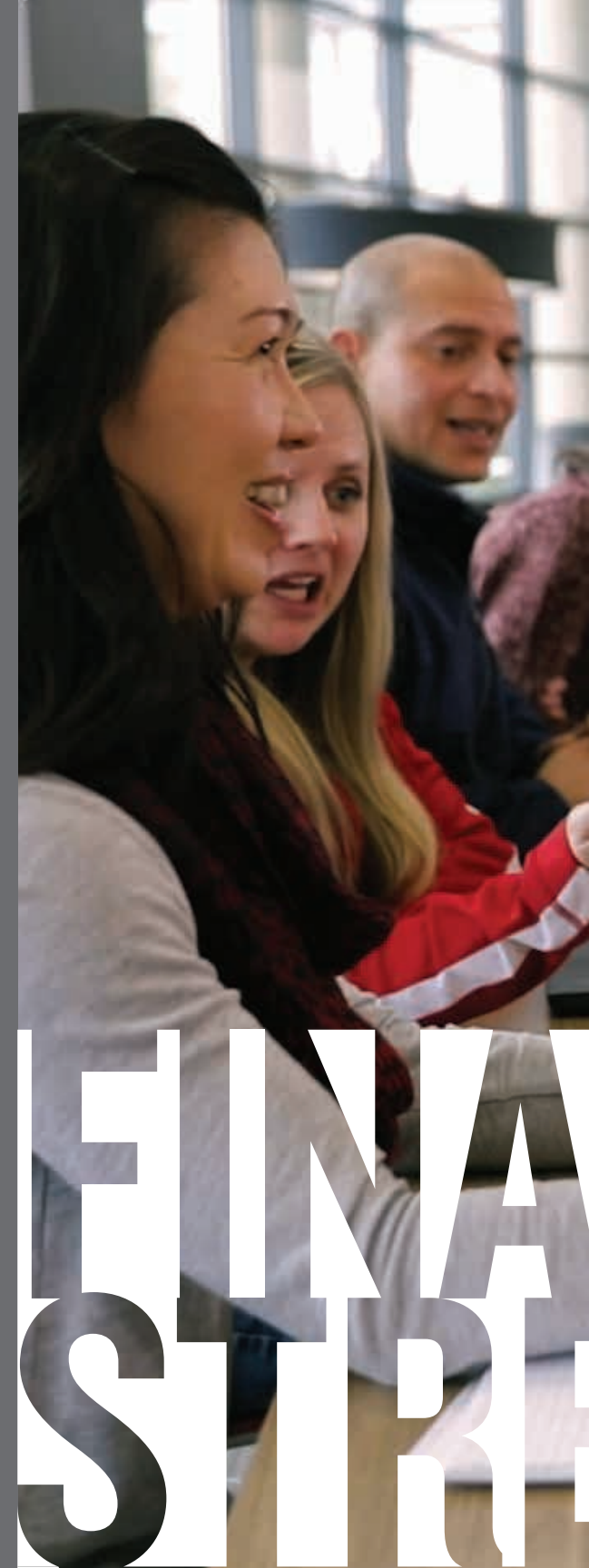
To inspire, protect and restore your dreams.

OUR VISION

To be the most trusted and valued customer-driven insurance company.

OUR CULTURE

We create our culture by relentlessly living our values every day to do what's right for our customers, our communities and our people.



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FINANCIAL STRENGTH

Our financial strength remains solid. So, too, does our commitment to inspiring, protecting and restoring dreams. It's part of a tradition that dates back more than 90 years. Throughout this time, we've walked alongside our customers, protecting and supporting them every step of the way. We've built a strong, trusted company that our customers can believe in. And with a stability they can build their dreams on.

This table summarizes the financial results for the American Family group of companies. GAAP basis - For the year ended December 31, 2019.

| | |
|--------------------------------|----------------------|
| ASSETS | \$31,123,650 |
| MEMBERS' EQUITY | \$9,763,129 |
| REVENUE | \$12,166,506 |
| NET INCOME (LOSS) | \$455,934 |
| LIFE INSURANCE IN FORCE | \$100,469,679 |

(in thousands)

SECTION THREE

DEEP INVESTMENT







Jack Salzwedel (center) joined American Family leaders and employees in accepting the Corporate Citizen Award during the Milwaukee Business Journal Corporate Citizenship Summit on September 28, 2019.

DEEP INVESTMENT IN A DIVERSE, HISTORIC CITY

American Family Insurance was founded in Wisconsin in 1927. Its largest city, Milwaukee, has always been close to our company's heart.

This great city, however, has faced recent social and economic challenges. At American Family, we've made the decision to invest deeply into this community. In 2019, we engaged in new partnerships, launched a building project for a new downtown office, ramped up our talent recruitment, and committed to playing a major role in the revitalization of the state's most diverse city.

As CEO Jack Salzwedel said when our investment was announced,

“ We want to be a difference-maker in Milwaukee.
We plan to join other local companies and community leaders as
allies in addressing challenges that impact the people who live there.”

In 2019, we secured a 110-year-old landmark building on North Martin Luther King Jr. Drive. The Mandel Building, vacant for a decade, was formerly a printing and manufacturing building. Our renovation, which will incorporate sustainable practices and span several years, will preserve its historic character. We're committed to an integrated project delivery approach, sharing both risk and reward with all project partners, including our diverse and inclusive suppliers.

We partnered with a property management firm to complete this building renovation project as a contribution to the other developments around and on MLK Drive. Along with using the Opportunity Zone Fund to channel investment into the area, we hope to honor the legacy of this street as it relates to Milwaukee's rich culture. Engaging with the community in this area, and in the city overall, is an important part of our Milwaukee Initiative. We are partners in creating a more vibrant neighborhood and city.

The building and space will include our second DreamBank location, a storefront and recruitment center, shared community space, and office space for employees, contributing to our broader inclusive culture and creating meaningful impact for our organization, our customers, our community and the state.

WE'RE COMMITTED TO DISCOVERING AND DEVELOPING NEW TALENT

American Family will develop a thriving, urban workplace and community hub in Milwaukee, supported by our vision for the future of work.

With our new multi-purpose office and DreamBank space, the company will provide space for existing and new employees working in technology and data science, claims, community investment and partnerships, and an American Family sales and agency owner recruitment center.

Our desire for exceptional, diverse talent has widened our reach in recruitment and future hiring. In 2019, we created partnerships with programs like Lift Up Careers, which focuses on female and non-binary individuals who are developing tech careers, and Clean Slate, which advances careers for the formerly incarcerated.

Our talent pipeline strategy is longitudinal in nature. We're reaching out to K-12 schools, building relationships to help students envision new possibilities. In this work, we're partnering with diverse leaders across the city in various organizations. Bringing students, educators, organizations and leaders together will create a stronger path to success for all.

We've also launched the Talent Consortium, which is convening more than 30 organizations to develop and support talent in Milwaukee. The goal is to strengthen a diverse and inclusive ecosystem of job seekers and professionals to help attract and retain great employees and leaders in Milwaukee. Through our coordination and cooperation with these organizations, we hope to develop new, impactful ways to deliver services.

We've deepened other recruitment and talent development partnerships with the University of Wisconsin-Milwaukee, Marquette University and groups like the Hispanic Professionals of Greater Milwaukee.



“ We want to help create a thriving, urban workplace and community hub in Milwaukee, supported by our vision for the future of work. Development of a diverse talent pipeline and workforce will contribute to our broader inclusive culture and create meaningful impact for American Family and our home state of Wisconsin. ”

—JUSTIN CRUZ,
Diversity Recruitment Vice President



“ Our partnership strategy is an extension of our commitment to diversity, equity, and inclusion. **We believe Milwaukee’s greatest asset is our people.** We recognize the brilliance that exists and aim to elevate the good work under way while also creating new opportunities and pathways forward to a more just and equitable society. ”

—LEANA NAKIELSKI,
MKE Initiative Strategic Partnerships Director

In partnership with The Commons, the 2019 Demo Day open house and community showcase welcomed more than 300 students, professionals and corporate leaders from the greater Milwaukee community.

WE WORK BEST WHEN WE WORK TOGETHER

Deep investments yield effective, long-term results when we work with other organizations with similar goals and community roots.


We’ve watched how our investments in the Dreams Foundation and the Steve Stricker American Family Insurance Foundation have positively impacted communities across the nation. With our focused, deep investment in Milwaukee, we’re confident we’ll see deep impact within the neighborhoods that make up this great city.

Our partnerships in 2019 included a \$1 million, four-year investment in the University of Wisconsin-Milwaukee’s new Lubar Entrepreneurship Center, a focal point for entrepreneurship education and programs in the Milwaukee area. The cross-disciplinary collaboration at the center supports courses, workshops, speakers and labs for prototyping products and software.

We also sponsored the Urban Scholars Program at Marquette University, providing full-tuition scholarships for Milwaukee students pursuing STEM degrees, and the Green Schools Consortium of Milwaukee Conference, hosting more than 400 students, educators and community members.

The American Family Insurance Institute for Corporate and Social Impact will also play a larger role and extend its mission in Milwaukee. Our institute staff is already planning to increase our socially minded investments and partnerships with new companies and ventures in the city.

And as we expand our presence in Milwaukee, we plan to create an ever-growing network of deliberate and intentional partnerships with local businesses, government entities and non-profit organizations to have a lasting economic impact.



“ By deepening our commitment in Milwaukee
in ways that impact the educational, social, cultural and economic
aspects of the city, we’ll be joining with others in the rebirth of
Milwaukee and helping the city become more equitable, healthy
and sustainable for all its residents. ”

—JIM BUCHHEIM,

Community and Social Impact Officer

FROM BANDS TO BALLPARKS: American Family Supports Milwaukee's Culture

American Family Insurance is partnering in areas important to the Milwaukee community including education, the arts and sports. These investments are designed to reach and support a broad cross-section of Milwaukee residents while increasing the company's name recognition and visibility.



MILWAUKEE BREWERS

In 2019, American Family acquired naming rights to the Milwaukee Brewers baseball stadium, known as Miller Park since its inception in 2000. Increasing support of the Brewers gives American Family another connection to the Milwaukee community, including a partnership to upgrade high school baseball fields in the region.

The arrangement also provides American Family with naming rights at spring training facilities in Phoenix, which are now called "American Family Fields of Phoenix." In Milwaukee, the newly renamed American Family Field will welcome fans in early 2021, with a new logo, signage and other brand elements.

At American Family, our marketing philosophy goes beyond brand advertising. We pursue creative, authentic and inspiring opportunities that align with our values.



SUMMERFEST

American Family's partnership with Summerfest, the annual music festival along Milwaukee's lakefront, supports arts and music in the city and enhances an important Milwaukee tradition.

In 2019, the American Family Insurance Amphitheater was unveiled, hosting major talent throughout the festival's run, and providing a focal point for music and gatherings. More than 23,000 people can enjoy summer's best music at the new venue. In addition, a partnership with "Let the Music Play" music education grant program was created, serving non-profits and school programs that support music education and performance for young people in Milwaukee County.



SECTION



FOUR

FOURS TO SUSTAIN

OUR FRAMEWORK

American Family's corporate responsibility mission is to make a meaningful difference in our communities and our environment and for our people as proactive protectors of what matters most. We serve this mission through the following:

INVESTING IN OUR COMMUNITIES

We lead collaboration in community involvement and empower our communities to be more socially impactful and resilient.

SUSTAINING OUR ENVIRONMENT

We reduce our environmental footprint by integrating sustainability principles and practices throughout our company and our communities.

EMPOWER OUR PEOPLE

We foster a culture of diverse and inclusive well-being for ourselves, our customers and our communities.

We protect what matters most by partnering with others to help find solutions to problems facing our customers and our communities where they – and we – live. We want to create positive social, environmental and economic impact because we believe that leads to more flexibility in how we ALL pursue dreams. We account for the voices and needs of all our customers, employees and communities.

We believe corporate responsibility means being a leader that creates a positive economic, social and environmental impact, together with measurable benefits for our customers, employees, agency owners and the world around us.

CORPORATE RESPONSIBILITY PROGRESS AND PERFORMANCE

At American Family, we understand the importance of measuring what matters. We have been intentional about reporting on our progress and performance. While many measurements related to corporate responsibility and sustainability exist, we continue to work with corporate stakeholders to identify the most critical measurements or key performance indicators (KPIs) highlighted throughout the report and captured in detail in the Appendix.

OURS TO SUSTAIN

CORPORATE RESPONSIBILITY
Community • Environment • People



INVESTING IN O

SECTION

OUR COMMUNITIES

FIVE



ELEVATING OUR COMMUNITY COMMITMENT

American Family Insurance is committed to investing in the communities where our customers, employees and agency owners live, work and raise their families. Our mission to inspire, protect and restore dreams is not only the foundation from which American Family Insurance does business, it's central to our efforts in improving the quality of life for those most in need.

With the challenges that face our communities – from large cities to rural areas – we're more dedicated than ever to supporting initiatives that positively impact life-long learning; meet basic needs such as access to housing and healthy food; provide economic opportunity for all; promote environmental sustainability and resilient communities; encourage well-being and healthy youth development; and foster diversity and inclusion. All areas we've aligned to in our comprehensive corporate responsibility program.

The American Family Insurance Dreams Foundation, the Steve Stricker American Family Insurance Foundation, the American Family Insurance Institute for Corporate and Social Impact, our employee and agency owner volunteer initiatives, and many other strategic partnerships are all grounded in our commitment to helping communities thrive. We believe in community investing, which aligns our giving and volunteer programs with our corporate goals and the strategic alliances we continue to form with nonprofit organizations throughout the country.

Through this collective work, it's our hope that individuals and families will believe their community is better because American Family is part of it, and that we have played a positive role in empowering our communities to be better, stronger, more secure and inclusive places for all.



Community and Social Impact Officer Jim Buchheim and Community Investment Associate Vice President Judd Schemmel celebrate at the Race for Research 5k during the American Family Insurance Championship. The event raised \$170,000 for adult and pediatric cancer research.

ENCOURAGING DREAMS, CONNECTING COMMUNITY

Making time for what matters most is what DreamBank is all about. The community space, dedicated to the pursuit of dreams, opened in downtown Madison, Wis., in 2012, and now occupies expanded space in Spark, the company's cornerstone of forward-thinking innovation, inspiration and creativity in the city's Capitol East District.

DreamBank is the physical manifestation of the American Family Insurance brand in action, bridging the gap between customers and employees, and bringing professionals, families and individuals of all backgrounds and interests together.

This Community of Dreamers is thriving by offering new classes, workshops and speakers to the community and encouraging inspired thinking with exhibits and interactive displays.

“From the moment visitors walk into DreamBank, their dreams and journeys are the focus of our promise:
to provide committed support to every dream out there.”
—NATALIE HEALY,
DreamBank Manager

EVENTS

TOTAL EVENTS

477



MOBILE
ACTIVATIONS

(DreamBank on the go)

36 EVENTS



TOTAL EVENT ATTENDEES

15,571

GUESTS

FOOT
TRAFFIC



119,806

EVENT SERIES



Dream Big



Business



Fitness



Career



Crafting



Family



Think &
Explore



Business
For Good



Learning
Lab

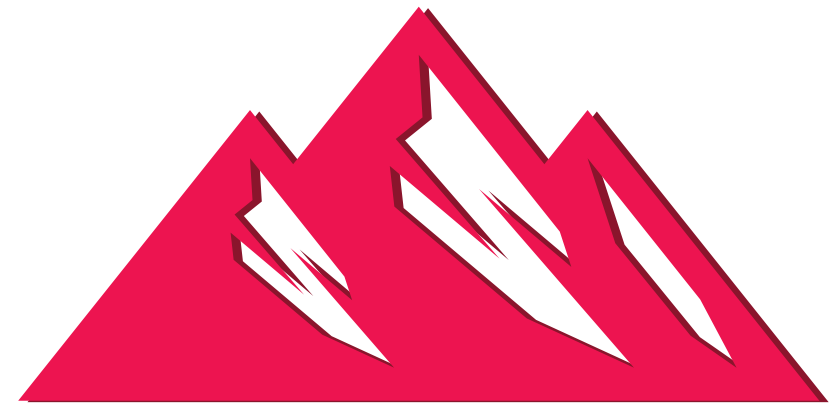


Imagination
Workshop



Streaming
Events





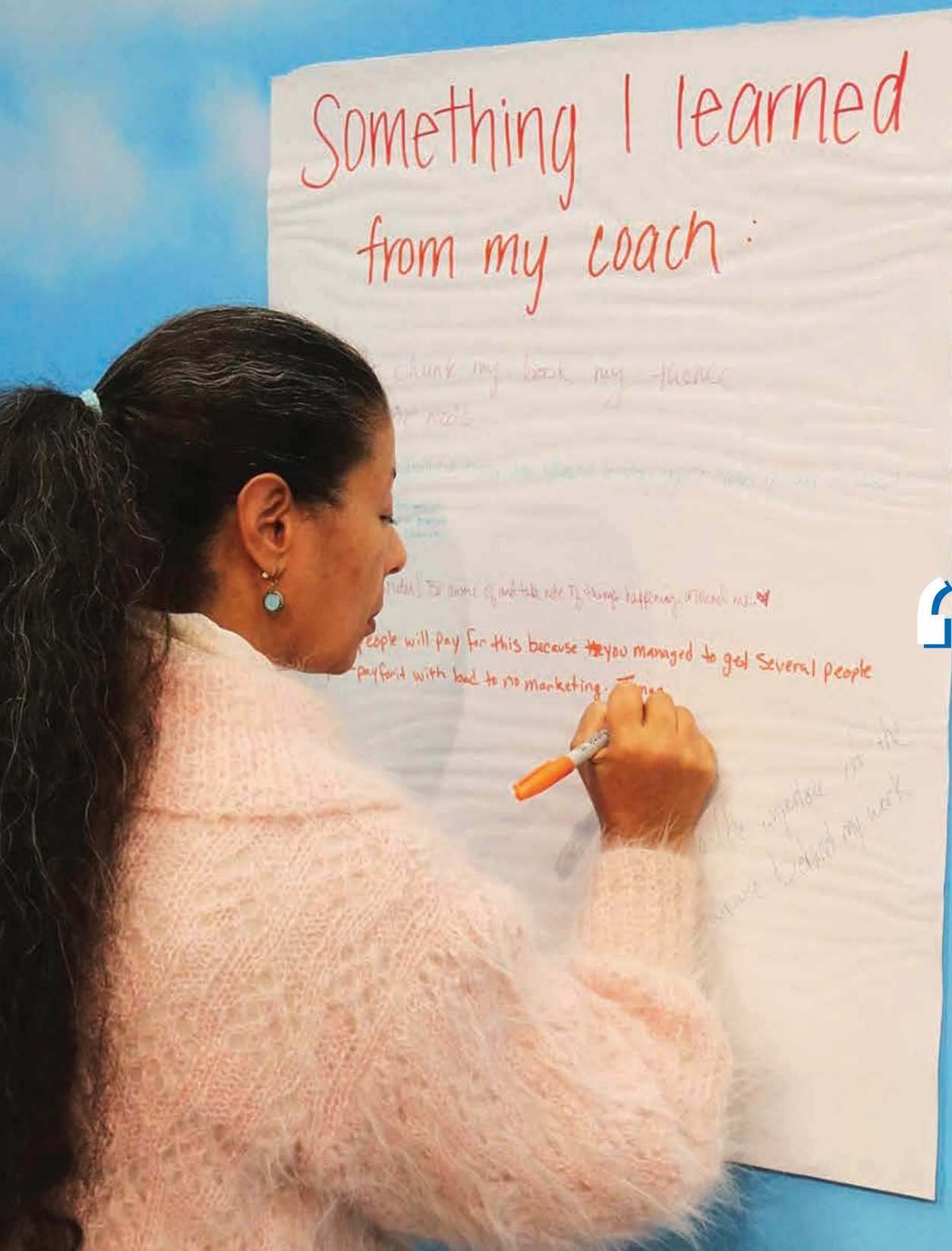
DREAM SUMMIT

In October, DreamBank launched its first Dream Summit, welcoming community members for two-and-a-half days of motivational keynotes, interactive workshops and networking to gain confidence in pursuit of dreams.

Attendees, from older teens to older adults, identified their core values, learned to prepare for their journeys with planning and financial information, discovered new time management techniques, honed their relationship skills and connected with motivated, like-minded peers.

They arrived as individuals and left as part of a community of dreamers and ambassadors – with the encouragement and support of American Family.





DREAM CAMP

The first-ever DreamCamp was launched in November 2019, offering an immersive, three-day event for seven campers who focused on their dreams and the hard work needed to reach them. Attendees defined their path, created a strategic plan to address real and perceived obstacles, met with inspiring coaches, mentors and speakers, and received one-on-one coaching for an entire year.

Through DreamCamp, American Family is helping real people take positive steps toward reaching their dreams.



DreamBank is about connecting to your dreams and making them happen. Pursuing goals and collaborating with others boosts happiness and builds healthy relationships that benefit individuals, families and the social fabric of a community.

**That's what we're building at DreamBank:
A Community of Dreamers.**



—KESHA BOZEMAN,

Enterprise Brand Strategy Associate Vice President

BRINGING OUR MISSION TO LIFE

We believe social impact doesn't start or end with a check.

The American Family Dreams Foundation has evolved its purpose from community giving to community investing. We're creating strategic alliances with non-profit organizations that align with American Family's corporate goals and values, with benefits that impact individuals, families and communities across the company's operating territory.

The result is a combination of financial support with volunteerism, creativity and expertise.

Life-long Learning

The Dreams Foundation supports improving access to education and empowering individuals to take part in a diverse, sustainable and growing workforce. The Foundation supports learning opportunities for pre-kindergarten through college, STEAM programming and early childhood education.

Workforce Readiness

Through the Foundation, American Family empowers individuals by creating pathways to employment that support the ability to earn a stable income and reach full personal and career potential. We collaborate and provide mentoring to community and educational programs in vocational and job retraining, financial literacy and workforce readiness.

Basic Needs

We address common barriers to families in order to provide a brighter future for all, including food security, housing, transportation and child care.



“When families have access to food and stable housing within a thriving economic and culturally rich community, people feel empowered to pursue their dreams. By investing in and partnering with non-profit organizations, **we're creating better lives for those who live and work in our communities.**”
—MAGGIE PASCALY,

Community Investment Manager



Colorado agency owners, team members and families joined together to volunteer at a local food pantry and give back to their community.

GIFTS & GRANTS THROUGH THE DREAMS FOUNDATION

Matching Gifts

Through the American Family Insurance Dreams Foundation, American Family employees and agency owners have access to a matching gift program. Funds are set aside and used to match charitable donations across the country.

In 2019, the Dreams Foundation matched every dollar contributed by American Family employees and agency owners. The benefit spurred 6,873 matching gift requests from 3,685 agency owners and employees, totaling \$2,361,228 in donations to non-profit organizations. The matching gift program, which involves the goodwill and generosity of our people, is a major contributor to positive outcomes in our communities.

Dreams Foundation Grant Awards

The Dreams Foundation also provides grants in two annual cycles to nonprofit organizations. Efforts are focused on assisting those who are under-represented and economically disadvantaged in two main areas: life-long learning and basic needs.

In 2019, the Dreams Foundation grants totaled \$1,704,765 to 180 organizations. Since its inception in 2016, the foundation and American Family Insurance have committed \$10.5 million through more than 700 grants across our operating territory.

“Your gifts are bringing families and children inside to warmth, safety and stability. You are bringing hope, changing lives and strengthening our community. Our families who benefit thank you.”

—MARTY HARTMENT,

Executive Director of Mary's Place, Seattle, Washington

DRIVEN BY PURPOSE

Established in 2013, the Steve Stricker American Family Insurance Foundation is an extension of our partnership with brand ambassador and PGA TOUR professional Steve Stricker. The foundation supports charities, educational initiatives and organizations aimed at building strong families and healthy kids, empowering them to chase and achieve their dreams.

The American Family Insurance Championship, a PGA TOUR Champions golf tournament held in Madison, Wisconsin, is the primary source of funds to the foundation. The tournament and its associated activities have made a significant social impact since its inaugural tournament in 2016, with more than \$7 million raised for numerous charitable organizations in underserved communities and the American Family Children's Hospital in Madison.

Through the years, the AmFam Championship event has grown beyond the professional three-day golf tournament and includes pro-am competitions, a 5k run/walk, a charity concert and a special golf exhibition featuring celebrities from the sports and music industries.

The first four years of the tournament have been successfully implemented with the support of over 4,500 volunteers, representing 15 states, contributing their time and energy. Additionally, attendees from 32 states have provided a local economic impact of more than \$50 million. The American Family Insurance Championship has been honored to receive the PGA TOUR Champions' tournament of the year award in 2018 and 2019.



PGA TOUR pro Steve Stricker and his caddie, Nicki Stricker, head to the next tee during the American Family Insurance Championship. Proceeds from the event go to the Steve Stricker American Family Insurance Foundation, which contributed more than \$2.4 million to charitable causes in 2019.

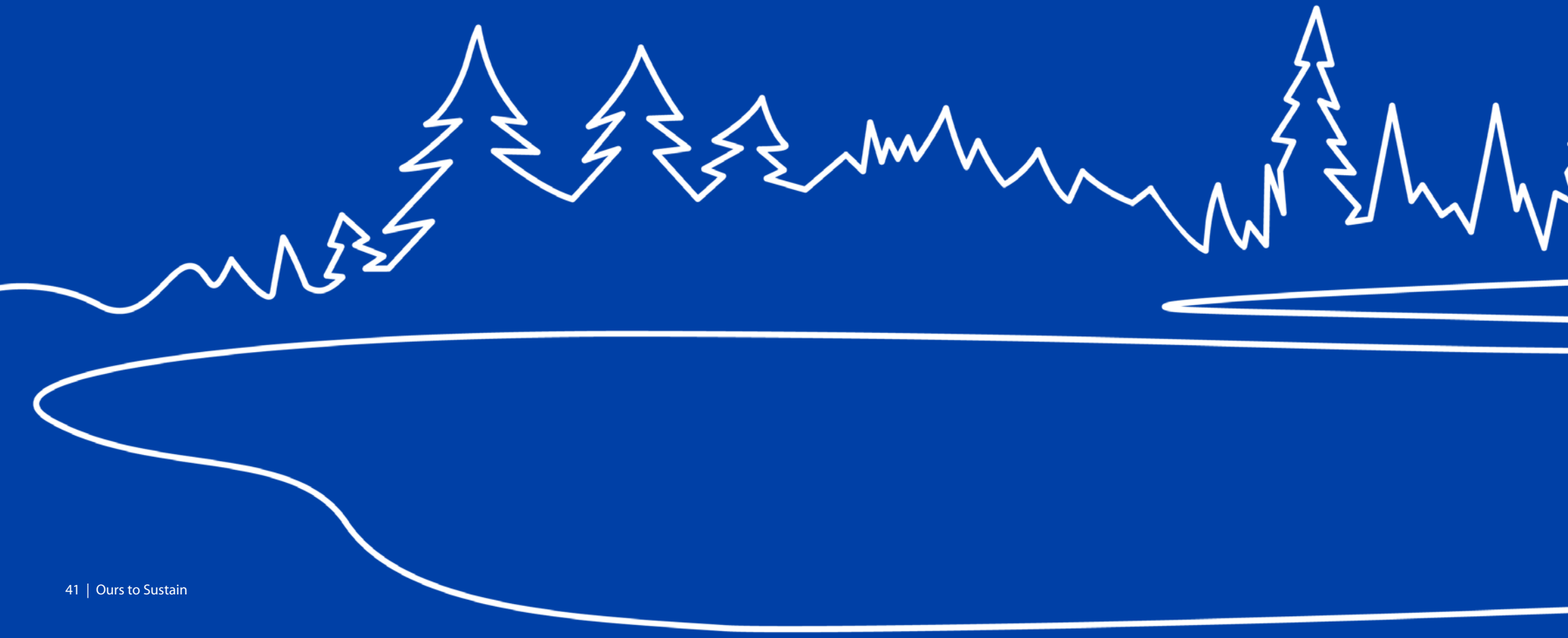


“ In just four short years, the American Family Insurance Championship has become a truly special event for our community and the non-profit organizations it supports. In 2019, this unique partnership was again able to exceed all of the community impact goals we had set out to achieve. **We are grateful to all the volunteers, fans, sponsors and partners for their collaborative support.** ”

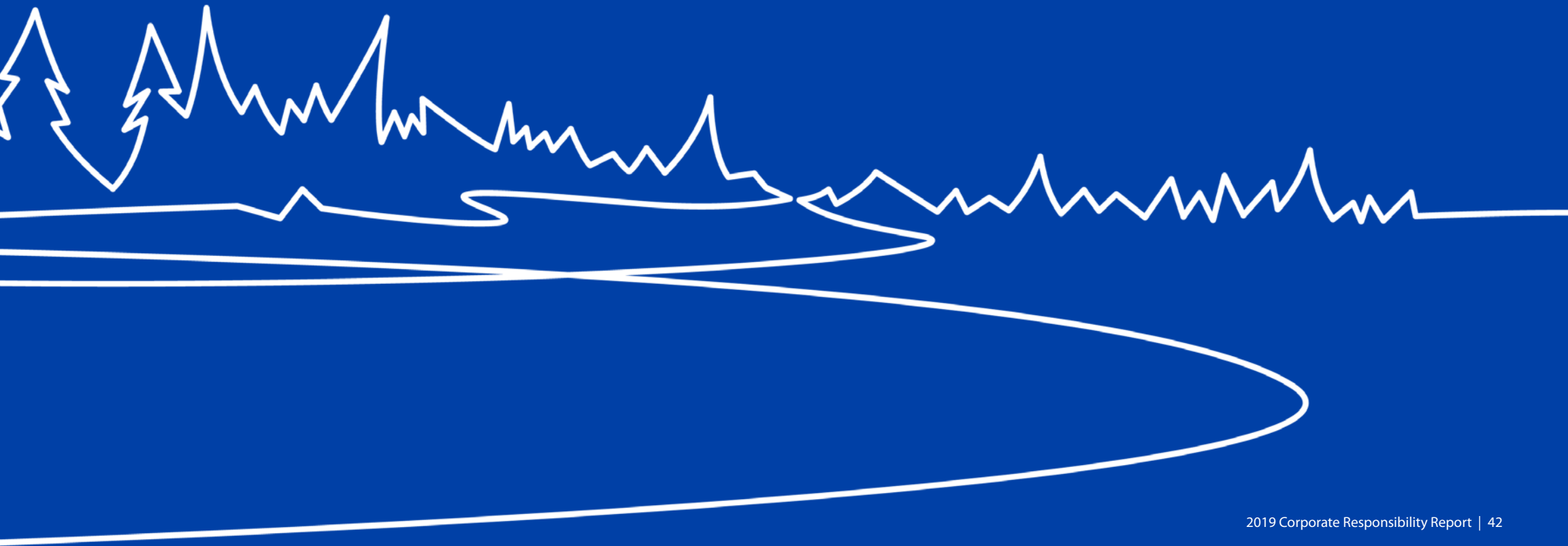
–NATE POKRASS,

Community Investments & Partnership Director

SECTION



SIX SUSTAINING OUR ENVIRONMENT





AT THE FOREFRONT OF CLIMATE ACTION

It's clear that the climate is changing. With these changes, the world is beginning to experience broad environmental, social and economic impacts. We recognize this fact. We realize that changing climate and weather puts our customers and communities at risk.

To position American Family Insurance at the forefront, leading in environmental sustainability and climate action -- and to ensure we've prepared our enterprise for the impacts of changing environmental conditions -- we created a Sustainability and Climate Action Strategy in 2019.

The strategy serves as our climate action roadmap, measured by goals and targets that align to existing and new actionable initiatives.

GOAL ONE: Mitigate carbon emissions and adopt strategies to achieve carbon neutrality.

At American Family, we believe it is our corporate responsibility to take on climate action now through direct mitigation strategies. Our goal is to achieve carbon neutrality by 2030 -- reducing and offsetting our corporate contributions to global climate change. We're committed to reducing greenhouse gas emissions, increasing on-site renewable energy production and renewable energy purchased, diverting waste from the landfill and increasing water conservation.

GOAL TWO: Create, design & construct workplace environments that encourage employee health, well-being, productivity & resilience.

Workplace design matters. We intentionally design our offices and work spaces to enhance the well-being of our employees and to reflect our sustainability values. We're committed to sustainable land development, alternative and active transportation, and principles of LEED, WELL and FORTIFIED in the design and construction of owned and leased properties.

We believe access to healthy, local and sustainable food, as well as access to recreational opportunities, including connections with nature and fitness, increase employee health, productivity and personal resilience.

GOAL THREE: Build upon climate conversations, partnerships and actions that enhance adaptive enterprise capacity to respond to climate risks and impacts.

The insurance industry is at the forefront of climate impact -- serving as one of the primary mechanisms of risk valuation, transfer and recovery. We are committed to leveraging our financial strength, resources and experience to catalyze climate conversations. Through internal and external partnerships, we will deconstruct systemic barriers and position the enterprise for success in the low-carbon economy. By establishing national partnerships, we are eager to align publicly with climate leaders around the world.



MANAGING OUR DIVERSE LAND RESOURCES

At American Family, we recognize our connection to the environment. Our goal is stewardship of our land resources to benefit a sustainable future for our employees, communities and customers.

We use best practices in design, restoration and maintenance to manage our diverse land resources. Our Sustainable Land Management Program highlights four pillars of responsibility in this work, including ecosystem management, education and action, landscape design and management, and technology and innovation.

The program is a roadmap to improve the ecosystem health at all our properties, while educating and involving employees and our communities in new ways to approach landscape design and sustainability. In 2019, we provided landscape design and installation assistance at a local Madison middle school, assisted the University of Wisconsin in an urban wildlife study, and hosted a wildlife documentary film showing for the public in partnership with Madison Audubon.

PURSUING OUR DREAM OF A ZERO WASTE FUTURE

American Family's dream of a zero-waste future has only strengthened over the last few years, and we remain committed to achieving zero waste by 2025.

In 2019, we acted on our commitment by eliminating plastic straws from Madison-area cafeterias. Our sustainability staff completed a waste audit of our National Headquarters operations, and we organized a Zero Waste Champions group with employees who advocate for sustainable practices. We also expanded waste collection metrics by location and waste stream, and completed an employee e-waste collection drive which prevented more than 13 tons of hazardous waste from entering the landfill.

Our Dream of a Zero Waste Future extends beyond corporate operations and includes large corporate events.

At the American Family Insurance PGA Championship, we have strived for a zero-waste event since 2016. In 2019, we achieved our goal by diverting 100% of the event's waste from the landfill. In addition to reducing our impact on the environment, we engaged with hundreds of tournament attendees and provided a fun opportunity for families and kids to learn more about sustainability in their community.

SECTION SEVEN

EMPOWERING OUR PEOPLE







“ This is who we are. This is who we’ve been.
This is who we’ll continue to be.
Diversity, equity and inclusion
are part of American Family Insurance. ”

—Tyler Whipple
Inclusive Excellence Vice President

Panelists at October’s Dream Summit. The group discussed their diversity and inclusion experiences in achieving their dreams.



OUR PLEDGE FOR DIVERSITY, EQUITY AND INCLUSION

These efforts will embed diversity and inclusion practices throughout all aspects of our business, leading to a more equitable work environment.

Specific initiatives and actions:

- We established 'inclusive' as an enterprise core value this year, with corresponding behaviors to show employees how they can actively live this value with each other and our customers.
- We created an enterprise demographics people report so leaders can use data and analysis to deeply understand our workforce.
- We leveraged extensive community partnerships and philanthropic support to develop a diverse and tech-focused workforce that brings our future urban workplace and community hub in Milwaukee to life.
- We provided diversity and inclusion learning opportunities for leaders and employees, including unconscious bias training and inclusive leadership workshops with industry experts to mitigate inequity.
- We refocused the strategic pillars for our business resource groups to enhance their impact on cultural intelligence and business solutions.
- We focused efforts at company leadership events to build accountability around diversity and inclusion.
- We engaged all enterprise executives and leaders in the "Moments of Choice," to facilitate ongoing interventions throughout the employee lifecycle.

We recognize the structural barriers in our society that keep people from reaching their dreams and have committed to doing our part to tear down these barriers. This kind of work is hard. It requires leadership, strong partnerships and many voices.

We have diverse, committed and passionate people ready to affect change. We are absolutely committed to tackling systemic problems that impede equity – because it's good for our communities *and* good for business.

Business Resource Groups (BRGs)

At American Family, over 1,500 employees engaged in our business resource groups or BRGs, which provide a network for those who share a common identity characteristic or set of interests, and those who ally with those groups.

Key Events in 2019:

- BRGs led, or participated in leading, the following cultural heritage months: Black History Month, Women's History Month, Asian Pacific Islander Month, Diwali, Passport to Diversity, Eid luncheon, Hispanic Heritage Month, National Disability Employer Awareness Month
- Raising the PRIDE flag for the entire year.
- Hosting quiz bowls during heritage months for an interactive way to learn about cultural backgrounds, traditions and heritage.

Our five BRGs are: multicultural, women's, veterans and military, LGBTQA and abilities. Each group promotes an inclusive, respectful workplace, contributes to customer-driven business initiatives, and provides professional development, networking and leadership opportunities to members.

DEVELOPING NEW LEADERS WITH NEW IDEAS

As part of our program of continuous professional development, we offer leadership development opportunities to employees at all levels, and for community members and students. We are continuously working to create new leaders with varied voices, ideas and perspectives through our organizational partnerships, BRGs, and various leadership programs.

In 2019, we partnered with:

- **The National Black MBA Association** (NBMBA), one of the largest non-profit organizations advocating for minority business professionals. We sponsored an event that drew more than 10,000 professional attendees for development and career opportunities, and we built relationships through this event with other professional groups such as the Alpha Phi Alpha Fraternity, the University of Minnesota business school, the University of Texas-Austin MBA program and multiple Historic Black Colleges and Universities (HBCUs).
- **Prospanica**, which has advocated for Hispanic business professionals for 30 years. Since their founding as the National Society of Hispanic MBAs in 1988, they've hosted annual career and professional development conferences, connecting thousands of Hispanics to graduate programs, subject matter experts, corporations and each other. American Family participated in a Prospanica event that included more than 2,500 professional attendees for development and career opportunities.
- **Leadership DELTA** (Defining Emerging Leaders Through Advocacy), a leadership development program for women, focused on STEM, business and social science majors. American Family has participated in Leadership DELTA events and has recruited several students for internships and professional positions.

We also sponsor mentoring programs and formal leadership development programs within American Family, involving dozens of employees per year.

The Aspiring Leader Program, created by our internal talent development area, has completed five intensive leadership sessions. Women and people of color have made up 53% and 20% of participants, respectively. And our Women in Leadership Conference is a development opportunity for female advancement that brought together 52 leaders in 2019 to discuss challenges and opportunities in business and community leadership.





EDUCATIONAL OPPORTUNITIES

The company invests in employee education through student loan assistance, tuition reimbursement and other continuing education programs.

STUDENT LOAN ASSISTANCE

For employees who have graduated recently with an associate's degree or above and have student loan debt, American Family provides a monthly contribution of \$100 for student loan repayment with a lifetime maximum of \$10,000. Our Advisor Program helps lower loan payments, assists with refinancing and offers guidance on other financing options for a college education.



TUITION REIMBURSEMENT

Tuition reimbursement is available to employees who have been with the company for one year. Reimbursement is offered for tuition, books and other education expenses, up to more than \$5,000 annually for full-time employees and more than \$2,500 for part-time employees who qualify. In addition, several colleges offer American Family employees a tuition discount.

EMPLOYEE SCHOLARSHIPS

Our employee scholarships are open to American Family employees in undergraduate, graduate or post-graduate programs. We offer a \$2,500 annual scholarship, renewable for an additional three years. Tuition, fees, books and supplies can be covered. We also offer scholarships through the American Family Insurance Dreams Foundation for dependent children of full-time American Family employees, agency owners and staff. The scholarships are \$2,500 per year, renewable for a total of four years.

A photograph of a woman with dark hair, wearing a black turtleneck, hugging two young children from behind. The children have curly hair, one is light brown and the other is dark brown. The woman is smiling and looking down at the children. The background is a plain, light-colored wall.

ENCOURAGING EMPLOYEE WELL-BEING AND EDUCATIONAL GROWTH

American Family believes an individual's well-being goes beyond just physical health. It also extends to emotional and mental health, financial well-being, community engagement, meaningful relationships, stress management and heightened mindfulness. Experiencing a high level of well-being positively affects not only employees, but also our customers. Our culture helps us stay motivated to bring our best every day.

Sixty percent of our employees are actively engaged in our well-being program through our partner, Virgin Pulse. The program cultivates positive lifestyle habits for employees through teamwork competitions, rewards and educational programs. Employees can earn up to \$360 per year through a combination of annual/daily events, biometric screenings and health assessments, and healthy habit tracking. Our Well-Being Champions (more than 370 members) meet on a quarterly basis to receive information about our programs, new offerings and progress metrics.

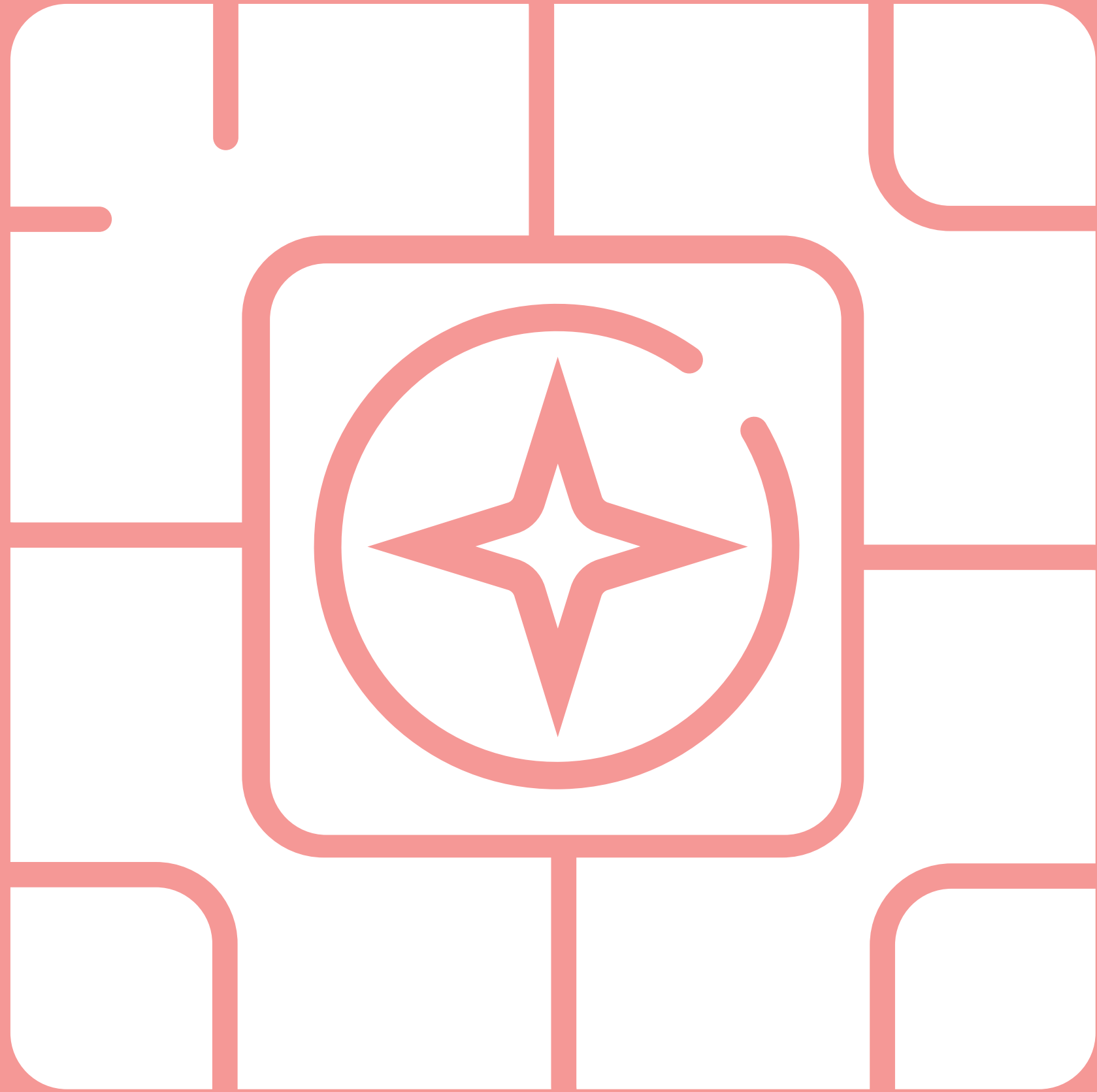
In addition to our well-being program, American Family offers a comprehensive benefits package, including medical, dental, vision and flexible spending plans, as well as a competitive 401(k) and a pension plan. Employees enjoy flexible work schedules, including work-from-home options, generous time off and leave programs to promote healthy work-life balance.

“I am so grateful to work for a company that cares about their employees well-being and supports our communities.”

The Virgin Pulse Wellness Champions hosted a Fall 1K Walk at the St. Joseph office to support our local animal shelter.

–KELLI LINCH,

Personal Lines Operations Underwriter



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CLOSING
EQUITY GAPS



The American Family Insurance Institute for Corporate and Social Impact sponsored the HBCUvc fellowship program for students at historically black colleges and universities.
Photo credit: Samantha Isom

SUPPORTING ENTREPRENEURS WITH DEEP IMPACTS

The American Family Insurance Institute for Corporate and Social Impact is a venture capital firm and partner of choice for exceptional entrepreneurs who are building scalable and sustainable businesses in a long-term effort to close equity gaps in America.

The Institute, one of the first public benefit corporations in Wisconsin, launched in 2018 and is housed in our Spark building in Madison, Wis. We invest in and help build ecosystems in four core focus areas: learning and academic achievement, healthy youth development, economic opportunities for all and resilient communities.

Our portfolio companies are bringing clean energy to low-income Americans, providing emergency support to help keep financially vulnerable students in college, using cell phone technology to offer mental health services to those who need them most, and working to reduce recidivism by keeping connections secure between families and their justice-involved loved ones.

We believe some of the most compelling opportunities to close equity gaps will be found when we engage and include changemakers representing diverse demographics, including gender, race, geography and lived experience. With that in mind, in 2019 we co-sponsored a fellowship for aspiring venture capitalists from Historically Black Colleges and Universities (HBCUvc).

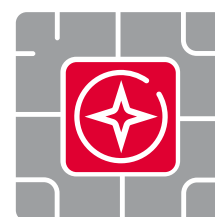
We also recognize building capacity and supporting organizations around the country are key to closing equity gaps in communities.

For example, we launched a second-year partnership with the Madison Metropolitan School District to build out innovation capabilities at the district and classroom level to advance equity in education. We also served as the Cause Village lead sponsor, along with Jay Z's Roc Nation, at the Made in America music festival in August 2019. The Philadelphia festival provided support to organizations engaged in criminal justice advocacy across the country. This activation has also led to venture capital partner connections and potential deals for the Institute.

Our sponsorships and partnerships with nearly two dozen entities from Wisconsin and Philadelphia to San Francisco, Atlanta and New York have focused our work in enhancing the ecosystem for social entrepreneurs:

- **We screened 844 social impact companies and invested in seven, with at least one company in each of the four focus areas.**
- **We hosted 477 events, attended by 11,019 guests, in our eighth-floor space inside the Spark building in Madison.**
- **Our open working space in Spark was used by 5,070 people.**
- **We sponsored or participated in 38 conferences nationwide.**

In 2020, we plan to deepen our relationships with underestimated entrepreneurs, organizations and thought leaders. Together, we'll continue to find the very best innovators around the country and provide the creativity, innovation and energy we need to strengthen our communities.



**AMERICAN FAMILY INSURANCE
INSTITUTE**
FOR CORPORATE AND SOCIAL IMPACT

SECTION NINE AGENCY OWNERS



SUPPORTING HIS COMMUNITY

Since 1986, Agency Owner Manny DeMiguel has served American Family customers in Scottsdale, Ariz., and his success over the years has had a lasting impact on his community. Manny supports entrepreneurs and established professionals through the Scottsdale Alliance Networking Group, which he founded, and he's a supporter of the environment and outdoor recreation through his boating and hiking activities.

He's well known within the company for his exemplary leadership and consistently high achievement, with more than 30 All American honors to his credit. And Manny also has the respect of his fellow agency owners, having been recently honored by his peers with the Hall of Fame Award.

**“Manny is highly regarded
by his peers and leaders.**

He's been a terrific advocate in Arizona for the people we serve, and for encouraging the growth and leadership of young professionals in our community. **”**

– Carolyn Gilb,
Arizona Sales Director



“ OUR AGENCY OWNERS DON'T JUST SELL INSURANCE.

They're catalysts for change, striving to make their communities stronger and more resilient. They're active leaders who volunteer, coach, mentor, serve as board members, donate to organizations and help people in need. Customers want to do business with people who care about supporting their communities' social, environmental and economic future. The work of our agents shows customers that they're different and that they care about making the world a better place.

– Betty, Rondale and Michael



**Betty
Bergquist**

WEST REGION
Sales Vice President



**Rondale
Dunn**

CENTRAL REGION
Sales Vice President



**Michael
Riggs**

EAST REGION
Sales Vice President



Farhan Abdullahi

New Home, Minn.

In his teenage years, Farhan immigrated to the U.S. as a refugee from Ethiopia in hopes of living a better life. Now, he's living the American dream as the owner of his own agency. That inspired him to give back to his community in Ethiopia. With help from American Family's matching gift program, he's donated to a new hospital in Kombolcha that will help nearly 250,000 people in the region.



James Fewins

Sparks, Nev.

James and his team dedicate time and resources to Hispanic education, board service, and city and non-profit planning, totaling more than 1,000 volunteer hours a year. They support the Downtown Sparks Kiwanis Club, which donates more than 1,500 bikes a year to the children of Washoe County. James has also served as planning commissioner for the regional planning association and the City of Sparks, treasurer for Flips Gymnastics, timekeeper for the local swim club and referee for the lacrosse league. He provides dinners for a troubled youth center, and his agency purchases and delivers food to local families.



Vicky Houg

Grand Rapids, Minn.

Vicky has been an active community member in whatever she can get her heart and hands into. In 2017, she opened her horse ranch to others by starting Heart to Heart Equestrian Services, LLC. At the ranch, people living with mental illness and addiction complete equine psychotherapy, and the ranch is open in the summer for children and adult riding lessons. She also helps orchestrate benefits for people with cancer and other health issues that require financial assistance.



Tim Malmkar

North Platte, Neb.

For the past five years, Tim has served on the board of the Golden Spike Tower and Museum, a non-profit organization offering guests a bird's eye view of the world's largest railroad yard from a 100-foot observatory. As board president, Tim's involvement supports this vital tourism draw for his community. He's also a board member of a Christian radio station, and organizes annual trash walks. Tim organizes multiple food and clothing drives for the high school youth pantry and rolls up his sleeves to prepare meals at the community's homeless shelter.



Rebecca Navarre

Scottsdale, Ariz.

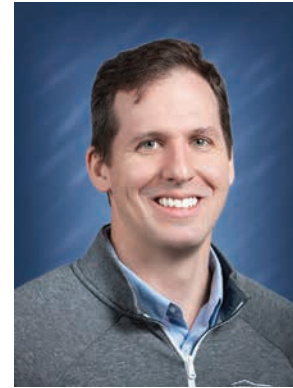
Rebecca's community involvement stretches across the ocean to reach many families and communities in East Africa. She serves as a board member for Pipeline Worldwide, traveling to Africa multiple times a year. The organization provides funding, time and resources clean water, sanitation, education and healthcare projects in the most impoverished regions. Rebecca's work in the community brings her joy and purpose, complementing her work to help protect her customers' dreams.



Jim Nick

Wausau, Wis.

Jim and his agency are community involvement rock stars. Fifteen years ago, he kicked off the Pink Ribbon Open, raising a total of \$500,000 in a golf event to benefit breast cancer survivors. Jim also launched the Help The Kids Program four years ago, collecting winter clothing and food for more than 800 children and raising between \$120,000-150,000 per year. Jim and friends have also pitched in to raise thousands of dollars for the local Salvation Army and Blessings in a Backpack, addressing food insecurity in his area.



Justin Smitherman

Elburn, Ill.

Justin is very active in supporting various military and veterans' non-profits. He chairs Operation Support Our Troops America, and sits on the board of the Fox Valley Patriotic Organization. He and his agency team have contributed to an effort that sent more than 2 million pounds of care packages to military personnel, and they serve a program called Leap of Faith, which helps Gold Star families through the grieving process. Justin and his team also support other local businesses through the Fox Valley Entrepreneurship Center, helping them to expand and create new jobs.



Doug Otto

Jefferson City, Mo.

Doug's agency team recycles and participates in community clean-ups. And on his own farm, Doug is heavily involved in good environmental stewardship, working to bring back natural areas on his land. He believes in protecting and preserving valuable environmental assets for future generations. He's a strong supporter of his local United Way, raising \$2.5 million as the campaign co-chair in 2019, of which \$300,000 was used for tornado and flooding relief. The support for the community was crucial to both individual and environmental recovery projects during the 2019 storm season.



Jim Voss

Clinton, Iowa

For Jim, supporting families is a way to assure a successful, healthy community. Jim and his agency support the Make a Wish Foundation, Clinton Junior Baseball, and an annual Golf Play Day that raises funds while strengthening business ties. Jim's community work is sometimes front and center, sometimes behind the scenes. As he says, it can be the silent things you do that make the biggest impact.

728

Agency owner match requests

729,558

Total dollars donated by agency owners in 2019

824,924

Total dollars matched by



—*Dreams Foundation*—

APPENDIX

X



OUR DATA

COMMUNITY

| COMMUNITY | | | | | | | | |
|---|--|--|-----------|------------|------------|------------|------------|-----------------|
| Topic | Indicator | Measure | 2015 | 2016 | 2017 | 2018 | 2019 | % Δ 2018 - 2019 |
| Philanthropic Giving | Total American Family Community Investment ¹ | USD | - | - | 11,742,242 | 12,874,357 | 14,803,307 | 17% |
| American Family Dreams Foundation | Total American Family Dreams Foundation Contributions ² | USD | - | - | 6,328,537 | 6,728,762 | 8,391,945 | 30% |
| | Grant Contributions | USD | - | - | 3,884,448 | 1,717,500 | 2,829,765 | 93% |
| | Matching Gift Contributions | USD | - | - | 1,879,089 | 4,328,762 | 2,361,225 | -45% |
| | Scholarship Contributions | USD | - | - | 415,000 | 647,500 | 832,500 | 29% |
| | Disaster Recovery | USD | - | - | 150,000 | 35,000 | 75,000 | 114% |
| | Other Charitable Contributions | USD | - | - | - | - | 2,293,455 | - |
| | Grants Awarded | # of grants | - | - | 178 | 126 | 180 | 43% |
| | Scholarships Awarded | # of students supported | - | - | 166 | 259 | 341 | 32% |
| | Scholarship University Attendance | # of universities with scholarship recipient attendees | - | - | 52 | 115 | 141 | 23% |
| Steve Stricker American Family Insurance Foundation | Total Stricker Foundation Contributions ³ | USD | - | 1,089,500 | 1,625,000 | 2,067,000 | 2,404,000 | 16% |
| | Stricker Foundation Economic Impact | USD | - | 12,000,000 | 14,000,000 | 15,000,000 | 15,000,000 | 0% |
| | Stricker Foundation Volunteering | # of volunteers | - | 1,200 | 930 | 1,200 | 1,100 | -8% |
| | Charitable Recipients | # of recipients | - | 34 | 68 | 83 | 97 | 17% |
| | Number of Event Attendees | # of attendees | - | 56,000 | 65,000 | 65,000 | 70,000 | 8% |
| | Sponsorship | # of sponsors | - | 135 | 185 | 180 | 180 | 0% |
| University of Wisconsin-Madison Partnership | Total UW-Madison Partnership Contributions ⁴ | USD | 2,954,550 | 3,336,050 | 3,788,705 | 4,078,595 | 4,007,362 | -2% |
| American Family One Saturday | One Saturday Events | # of events | - | - | 25 | 54 | - | N/A |
| | One Saturday Volunteering | # of volunteers | - | - | 1,000 | 4,000 | - | N/A |
| United Way | Employee Volunteer Hours ⁵ | # of hours | - | - | 8,713 | 9,497 | 11,203 | 18% |
| | Employee Volunteers | # of volunteers | - | - | 1,417 | 1,727 | 1,632 | -6% |

Notes:

1. Philanthropic Giving: Measured as total annual community contributions, including gifts made by the American Family Insurance Dreams Foundation, UW Partnership, and Steve Stricker American Family Insurance Foundation. Gifts from the American Family Insurance Dreams Foundation include grants, scholarships, employee/agency owner matching gifts and disaster relief.
2. American Family Insurance Dreams Foundation: Measured as total annual community contributions, including gifts made through grants, scholarships, employee/agency owner matching gifts and disaster relief. Please note: All Colorado, Idaho and Utah organizations were paid by AFMIC.
3. Steve Stricker American Family Dreams Foundation: Measured as total annual community contributions, including gifts made to various charities on a year-by-year basis.
4. UW Partnership: Measured as total annual contributions to UW-Madison. Annual giving for each giving area fluctuate year by year, but the total is what American Family Insurance is committed to spend annually.
5. Volunteerism: Measured as total annual employee volunteer hours. This measure is self-reported and includes American Family Insurance employees only.

ENVIRONMENT

| Topic | Indicator | Measure | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | % Δ 2018 - 2019 |
|------------------|--|---|------------|------------|------------|------------|------------|------------|------------|-----------------------|
| GHG Emissions | Total GHG Emissions1 | mtco2e | 49,000 | 51,282 | 51,054 | 49,074 | 47,593 | 46,296 | 46,436 | 0% |
| | Scope 1 (Fleet Emissions) | mtco2e | 11,383 | 10,935 | 10,298 | 9,040 | 8,891 | 10,340 | 9,974 | -4% |
| Energy | Scope 2 (Facility Energy Use) | mtco2e | 37,617 | 40,347 | 37,348 | 36,035 | 35,059 | 31,874 | 32,238 | 1% |
| | Scope 3 (Corporate Travel) | mtco2e | - | - | 3,408 | 3,999 | 3,643 | 4,082 | 4,224 | 3% |
| | Energy Use Intensity (EUI)2 | kBTU/SqFt/yr | 88.76 | 93.33 | 85.07 | 82.76 | 82.76 | 81.4 | 79.92 | -2% |
| | *Renewable Energy Production3 | kWh | 47,070 | 45,720 | 45,792 | 46,647 | 210,287 | 1,623,458 | 1,169,968 | -28% |
| | LEED facility s.f./portfolio | s.f. | 0 | 0 | 0 | 0 | 6.91 | 6.91 | 15.68 | 127% |
| | **% LEED Facilities | s.f./portfolio | 0 | 0 | 0 | 0 | 6.91 | 6.91 | 15.68 | 127% |
| Waste | Facility Utility Cost*** | USD | 5,222,473 | 5,672,516 | 4,957,322 | 4,980,170 | 4,908,507 | 4,906,430 | 4,801,049 | -2% |
| | ****Facility GHG Emissions | mtco2e | 37,617 | 40,347 | 37,348 | 36,035 | 35,059 | 31,874 | 32,238 | 1% |
| | Total Waste Generated | US tons | 1,121.64 | 1,078.92 | 1,171.81 | 1,166.38 | 1,203.93 | 1,258.43 | 3,698.00 | 194% |
| | Waste Diversion Rate4 | total recycled waste/ total waste generated | 74.83 | 77.64 | 79.35 | 76.31 | 77.4 | 75.74 | 90.08 | 19% |
| | Total Waste to Landfill | US tons | 282.3 | 241.2 | 242 | 276.3 | 272.1 | 305.3 | 416.00 | 36% |
| | Total Waste Recycled | US tons | 839.34 | 837.72 | 929.8 | 890.078 | 931.832 | 953.13 | 3,282.00 | 244% |
| Corporate Fleet | Construction & Demolition Diversion Rate | total recycled waste/ total waste generated | - | - | - | - | 93 | - | - | N/A |
| | Total Paper Reduction | pounds | - | - | - | 72,758 | 71,117 | 71,033 | 71,353 | 0.5% |
| | Fleet Inventory | # of vehicles | 1060 | 1101 | 970 | 960 | 953 | 943 | 954 | 1% |
| | Miles Driven | miles | 24,310,596 | 23,709,523 | 22,854,797 | 20,173,911 | 17,581,182 | 21,078,026 | 19,311,900 | -8% |
| | Fuel Spend | USD | 4,400,000 | 4,100,000 | 3,100,000 | 2,400,000 | 2,700,000 | 2,841,860 | 2,600,000 | -9% |
| | Fleet GHG Emissions | mtco2e | 11,383 | 10,935 | 10,298 | 9,040 | 8,891 | 10,340 | 9,974 | -4% |
| Corporate Travel | Air Travel Segments | # of segments | - | - | 29,692 | 34,298 | 30,674 | 31,111 | 31,131 | 0% |
| | Air Miles | # of miles | - | - | 18,806,923 | 21,968,638 | 20,054,292 | 20,451,859 | 21,340,347 | 4% |
| | Air Travel GHG Emissions | mtco2e | - | - | 3,408 | 3,999 | 3,643 | 4,082 | 4,224 | 3% |
| | | | | | | | | | | |
| Water | Water Consumption5 | gallons | 43,363,269 | 44,520,486 | 42,819,774 | 40,371,299 | 40,683,225 | 39,956,613 | 35,450,714 | -11% |
| Land Management | Total Native Land Restored6 | acres | - | - | - | - | 12.5 | 17.9 | 33.9 | 89% |
| | Parkway Prairie NHQ | acres | | | | | 5 | 5 | 5 | 0% |
| | Oak Savanna NHQ | acres | | | | | 7 | 7 | 7 | 0% |
| | Butterfly Gardens NHQ | acres | | | | | 0.5 | 0.5 | 0.5 | 0% |
| | Pond View Prairie NHQ | acres | | | | | | | 16 | - |
| | Buckthorn Control Eden Prairie, MN | acres | | | | | | 1.2 | 1.2 | 0% |
| | Invasive Species Control St. Joseph, MO | acres | | | | | | 4.2 | 4.2 | 0% |
| | | | | | | | | | | |

Notes:

- *Renewable Energy Production: An adjustment was made to generation in 2017 & 2018 to account for 4 small solar arrays along with adjustments to calculations from sub-metering.
- ** % LEED Facilities: Addition of East Regional Building (LEED v3.0 NC Gold Certification) to % of 2019 LEED Facilities.
- ***Facilities Utility Cost: Adjusted costs to align with corporate finance.
- ****Facilities GHG Emissions: The addition of legacy building consumption. Adjusted calculation methodology was applied to legacy & active buildings through 2018.

- Greenhouse Gas (GHG) Emissions inventory methodology changed in 2019. As a result, total GHG emissions will be made to the American Family Insurance website in Q3 of 2020, once finalized. GHG Emissions measured as total annual metric tons of carbon dioxide equivalents (mtco2e) from Scope 1 (fleet emissions), Scope 2 (facility energy usage) and Scope 3 (corporate air travel emissions). Facility energy usage includes all owned facilities. Corporate air travel includes all air miles traveled with the exception of the corporate owned jet.
- Energy Use Intensity (EUI): Measured as Total Facility Energy/Facility Square Footage/Year. Calculated as baseline reductions in energy consumption with 2007 as baseline year. Adjusted for real estate purchased and sold. Year 2021 Target = 35% reduction. 2019 included the addition of legacy building consumption along with modifications to solar data for the portfolio.
- Energy Production: Measured as total annual on-site renewable energy produced in kilowatt hours (kWh). Currently all renewable energy provided by solar production.
- Waste Diversion Rate: Measured as total annual waste recycled (recycling and composting) / total annual waste generated at NHQ and Madison area facilities, including National Headquarters, East Regional Building, Cottage Court, Mayfair, Applied Learning Center, Records Retention, Commercial Print, Spark and City View.
- Water: Measured as total annual water consumed (gallons) in all owned facilities. Additional water data tracking at the building level began in 2019. Adjustments in previous years were also made due to buildings sold in owned portfolio and subsequent adjustments to legacy workbooks.
- Native Land Restored: Measured as land that is actively managed/protected and restored as native habitat.

PEOPLE

| Topic | Indicator | Measure | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | % Δ 2018 - 2019 |
|--------------------|---|---------------------------------|-------|---------|-----------|-----------|-----------|-----------|-----------------------|
| Employees | Number of Employees | # of employees | 7,569 | 7,828 | 8,234 | 8,890 | 8,489 | 8,077 | -5% |
| Well-being Program | Total Employee Well-Being Contributions1 | USD | - | 839,050 | 1,400,415 | 1,209,934 | 1,222,753 | 1,145,415 | -6% |
| | Average Employee Incentive Earned | USD | - | - | - | 195 | 221 | 224 | 1% |
| | % Employees Engaged with Program | % of employees | - | - | 65 | 53 | 57 | 60 | 5% |
| | % Employees Attaining Incentive Level 2 out of 4 | % of employees | - | - | 46 | 41 | 41 | 48 | 17% |
| | Population Health Risk Score | Health Risk Assessment Score | - | - | 67.23 | 67.24 | 417.00* | 420 | 1% |
| Satisfaction | Employee Retention2 | % of employees retained | 91.30 | 91.30 | 90.00 | 91.20 | 90.00 | 89.3 | -1% |
| | Satisfaction and Engagement Survey | Survey score | 4.18 | 4.24 | 4.23 | - | - | - | N/A |
| | Pulse Survey | Engagement Index (% out of 100) | - | - | - | - | 81.5 | 80.5 | -1% |
| Talent Development | Leadership and Professional Development Training Expenditures3 | USD | - | - | - | 4,840,666 | 4,433,551 | 4,313,646 | -3% |
| | Leadership and Professional Development Trainings Offered4 | # of distinct courses | - | - | - | 333 | 387 | 424 | 10% |
| | Total Employee Tuition Support Paid5 | USD | - | - | - | 834,761 | 887,407 | 1,208,307 | 36% |
| | Tuition Reimbursement Paid | USD | - | - | - | 834,761 | 698,403 | 823,557 | 18% |
| | Employee Scholarships | USD | - | - | - | - | 111,904 | 145,150 | 30% |
| | Employee Student Loan Repayments | USD | - | - | - | - | 77,100 | 239,600 | 211% |
| | Number of Colleges and Universities w/AmFam Scholarship Recipients Enrolled | # of higher ed institutions | - | - | - | - | 115 | 82 | -29% |
| | Employees Participating in Tuition Reimbursement Program | # of employees | - | - | - | 177 | 366 | 239 | -35% |

Notes:

- * Health Risk Assessment adjusted in 2018 to include Lifestyle Scoring and Heart Age Scoring – comparing activity, nutrition, mind, smoking, and overall cardiovascular health (age, weight, cholesterol, blood pressure, smoking, diabetes, and family history).
- ** Employee Pulse Survey first implemented in August 2018. The Pulse Survey consists of three outcome questions to assess organizational commitment, discretionary effort and organizational advocacy – key indicators of engagement, as well as, additional questions that measure various drivers of engagement, such as ethical environment and diversity and inclusion.
- 1. Well-being Commitment: Measured as total annual well-being program expenditures, including corporate well-being incentives and administrative costs.
- 2. Employee Satisfaction: Measured as annual percent employee retention rate.
- 3. Talent Development: Measured as total annual talent development expenditures to support professional and leadership development training for employees. Expenditures reflective of talent development salaries, travel, course materials, catering for courses and tuition reimbursement.
- 4. Trainings Offered: Measured as number of distinct leadership and professional development courses offered to empower employees in 2018. Courses coded as mandatory are not reflected in this measure.
- 5. Tuition Support Paid: Measured as a total annual dollars invested in employees for educational purposes. In 2018, this measure included employee student loan repayments, employee scholarships and employee tuition reimbursement.
- 6. Number of Colleges and Universities with AmFam Scholarship Recipients Enrolled. Number based on multiple databases. Range of +/- 5 of total shown (77-87) = % ▲-33% - -24%.

ENDNOTES

1. **Philanthropic Giving:** Measured as total annual community contributions, including gifts made by the American Family Insurance Dreams Foundation, UW Partnership, and Steve Stricker American Family Insurance Foundation. Gifts from the American Family Insurance Dreams Foundation include grants, scholarships, employee/agent matching gifts, disaster relief and other charitable contributions.
2. **American Family Insurance Dreams Foundation:** Measured as total annual community contributions, including gifts made through grants, scholarships, employee/agent matching gifts and disaster relief. Please note, all Colorado, Idaho and Utah organizations were paid by AFMIC.
3. **Steve Stricker American Family Dreams Foundation:** Measured as total annual community contributions, including gifts made to various charities on a year by year basis.
4. **UW Partnership:** Measured as total annual contributions to UW-Madison. Annual giving for each giving area fluctuates year by year, but the total is what American Family Insurance is committed to spend annually.
5. **Volunteerism:** Measured as total annual employee volunteer hours and number. This measure is self-reported and includes American Family Insurance employees only.
6. **Greenhouse Gas (GHG) Emissions:** Greenhouse gas emissions inventory methodology changed in 2019. As a result, total GHG emissions will be updated on the American Family website in Q3, 2020, once finalized. GHG emissions measured as total annual metric tons of carbon dioxide equivalents (mtco2e) from Scope 1 (fleet emissions), Scope 2 (facility energy usage) and Scope 3 (corporate air travel emissions). Facility energy usage includes all owned facilities. Corporate air travel includes all air miles traveled with the exception of the corporate owned jet.
7. **Energy Use Intensity (EUI):** Measured as Total Facility Energy/Facility Square Footage/Year. Calculated as baseline reductions in energy consumption with 2007 as baseline year. Adjusted for real estate purchased and sold. Year 2021 Target = 35% reduction. The year 2019 included the addition of legacy building consumption along with modifications to solar data for the portfolio.
8. **Energy Production:** Measured as total annual on-site renewable energy produced in kilowatt hours (kWh). Currently all renewable energy provided by solar production.
9. **Waste Diversion Rate:** Measured as total annual waste recycled (recycling and composting) / total annual waste generated at NHQ and Madison area facilities, including National Headquarters, Spark, East Regional Building, CityView, Cottage Court, Mayfair, Applied Learning Center, Records Retention, Commercial Print, Spark and City View.
10. **Water Consumption:** Measured as total annual water consumed (gallons) from all owned facilities. Additional water data tracking at the building level began in 2019. Adjustments in previous years were also made due to buildings sold in owned portfolio and subsequent adjustments to legacy workbooks.

11. **Native Land Restored:** Measured as land that is actively managed/protected and restored as native habitat.
12. **Well-being Commitment:** Measured as total annual well-being program expenditures, including corporate well-being incentives and administrative costs.
13. **Employee Satisfaction:** Measured as annual percent employee retention rate.
14. **Talent Development:** Measured as total annual talent development expenditures to support professional and leadership development training for employees. Expenditures reflective of talent development salaries, travel, course materials, catering for courses and tuition reimbursement.
15. **Trainings Offered:** Measured as number of distinct leadership & professional development courses offered to empower employees in 2019. Courses coded as mandatory are not reflected in this measure.
16. **Tuition Support Paid:** Measured as a total annual dollars invested in employees for educational purposes. In 2019, this measure included employee student loan repayments, employee scholarships and employee tuition reimbursement.
17. **Number of Colleges and Universities with AmFam Scholarship Recipients Enrolled.** Number based on multiple databases. Total shown is within +/- 5.

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ABOUT THIS REPORT

Ours to Sustain, The American Family 2019 Corporate Responsibility Report was prepared in 2020. Data utilized in this report represents information collected between the dates of Jan.1, 2019, and Dec. 31, 2019. This is the third comprehensive Corporate Responsibility Report for American Family Insurance and continues to serve as a means by which annual performance and progress can be evaluated. While this report references the Global Reporting Initiative (GRI) Standards for Sustainability Reporting, it is not intended to meet all requirements necessary to be in accordance with GRI Standards.

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CARBON OFFSETS

An offset was purchased for the carbon footprint associated with the production of our 2019 Corporate Responsibility report. The offset was purchased through the Arbor Day Foundation and is equivalent to carbon sequestered by 100 tree seedlings grown for 10 years (this estimate was calculated using the EPA Greenhouse Gas Equivalencies Calculator for 6.1 metric tons of CO₂). The footprint calculation included the emissions associated with the production of the paper and the shipping of the paper and ink to American Family Headquarters where the reports were assembled in-house. The calculation for the paper was provided using the Environmental Paper Network's Paper Calculator. This calculation included the carbon from burning fossil fuels, methane from paper decomposing in landfills, short-living climate pollutants, and the forest carbon storage loss from logged forests. The emissions associated with the shipping of paper and ink to American Family facilities were calculated using the Carbon Fund's product shipments equation based on the weight of paper and ink estimated to produce 1,000 reports. The offset of 6.1 metric tons of CO₂ was rounded up to account for data that was not available such as the binding glue used for the reports and other negligible aspects not included in our calculations.



• OUR PLEDGE FOR DIVERSITY
OURS TO SUSTAIN • INSPIRE PEOPLE
• OUR INSPIRATION FORWARD •
• GREAT CUSTOMER EXPERIENCE
PROTECTING WHAT MATTERS
• EMPOWERING DREAMS • CREATING
AT THE FOREFRONT OF CLIMATE
• SUPPORTING ENTREPRENEURSHIP
DIFFERENCE-MAKER • EMPLOYMENT
• WE WORK BE

ITY, EQUITY AND INCLUSION •
PROTECT AND RESTORE DREAMS
• WE CAN AND WILL DO MORE •
NCES • DRIVEN BY PURPOSE •
MOST • CLOSING EQUITY GAPS
ONNECTING COMMUNITIES •
E ACTION • DEEP INVESTMENT
RS & ECONOMIC FURTURES •
YEE WELL-BEING AND GROWTH
ST WHEN WE WORK TOGETHER

OURS TO SUSTAIN

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