

**AMERICAN FAMILY
INSURANCE**®

2023

SUPPLIER DIVERSITY ECONOMIC IMPACT REPORT



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WHAT MATTERS MOST

A Word From Our Chief Executive Officer

"At its core, the idea of the 'American Dream' is the opportunity to pursue a better, more fulfilling life – regardless of race, sexual identity or gender – according to our own unique talents and ambition. We consider this ability to pursue a dream a human right.

That's why, at American Family Insurance, our mission is to inspire, protect and restore dreams. And this mission includes creating opportunity, social equity, financial mobility and hope within our communities.

Our inclusive approach requires strong partnerships with other businesses, too. We believe it's important to inspire our diverse-supplier community to pursue their dreams because it's good for our customers, good for our communities – and good for our business.

We're ready to partner with more diverse suppliers that share these same ideals and want to join us in this work."

– Bill Westrate



— **BILL WESTRATE**,
Chief Executive Officer,
American Family Insurance



PURPOSE STATEMENT

**OUR PURPOSE AT
AMERICAN FAMILY
INSURANCE IS TO
CHAMPION DREAMS
& OPPORTUNITIES
SO THAT EVERYONE
CAN RISE.**

WHAT MATTERS MOST

Making a difference in the communities we serve is embedded in our enterprise purpose, mission, and strategies. In 2023, those rewards were significant and resulted in measurable successes.

- Our Free to Dream Initiative launched in 2021, includes a \$105 million commitment over five years, and continues to close equity gaps, build healthy, sustainable communities, and fight for social justice.
- The economic impact generated from American Family Supplier Diversity initiative supports six of the United Nations sustainability development goals.*

As we look to 2024, we stand committed to closing equity and opportunity gaps while opening opportunities for entrepreneurialism and social impact. To fully appreciate the difference our dedication makes, please review the achievements and progress noted in the following pages.

*To learn more about the UN's sustainability goals, please visit the official United Nations website: [Undp.org](https://undp.org)





At American Family Insurance, we are committed to inspiring, protecting, and restoring dreams. The Free to Dream Initiative programs help everyone have access and the ability to make their dreams possible.

OVER THE NEXT FIVE YEARS, WE ARE INVESTING \$105 MILLION TO CLOSE EQUITY GAPS

SUSTAINABLE COMMUNITIES

We plan to build healthy, sustainable communities, and fight for social justice.

EMPOWERING COMMUNITIES

Expanding upon our ongoing corporate activism, we are combining our resources to heal and empower our communities.

CRIMINAL JUSTICE REFORM

The American Family Insurance Institute for Corporate and Social Impact partners with organizations to create opportunity, social equity, financial mobility, and hope for those impacted by the legal system.

EDUCATION AND HEALTH EQUITY

We fund and collaborate with equity-centered programs and social impact organizations to help young people thrive in school, and beyond.

WORKFORCE DIVERSITY, EQUITY, AND INCLUSION

We fund and collaborate with equity-centered programs and social impact organizations to help young people thrive in school, and beyond.

ECONOMIC EMPOWERMENT

To reduce the wealth gap for Black, Indigenous, and people of color, we invest in workforce development initiatives, including our own Fair Chance Hiring Program, to help small business owners, especially BIPOC entrepreneurs, expand and hire more people.



AMERICAN FAMILY INSURANCE INSTITUTE

FOR CORPORATE AND SOCIAL IMPACT

Office of Community and Social Impact

We are continuing our legacy of social impact work to close equity gaps, strengthen climate and community resilience, and fight for social justice. Through the work of the Dreams Foundation, Steve Stricker Foundation, and the transformative partnerships and investments of The American Family Insurance Institute for Corporate and Social Impact, we encourage equitable access, resources, and opportunities to communities, customers, and companies.

Investment Areas of Focus

- Climate & Community Resilience
- Economic Empowerment & Justice Reform
- Equity in Education
- Healthy Youth Development

Programs and Partnerships

- **Wisconsin Early Childhood Association** advocates for affordable, high-quality and culturally responsive child care early education.
- **All-in Grocers** increases access to healthy food.
- **Point Source Youth** launches promising solutions to the youth homelessness crisis.
- **Boys & Girls Club** supports college & career readiness with AVID/TOPS Program.
- **Gener8tor** offers a free virtual accelerator for social impact startups.
- **The Jeremiah Program** disrupting generational poverty, two generations at a time.
- **Arizona State University** bolsters the pipeline for first generation college students.
- **CEOs of Tomorrow** develops youth social entrepreneurs.
- **Beam** administers cash assistance and emergency aid for cities, counties, states and universities.



SUPPLIER DIVERSITY PROGRAM

At American Family Insurance our mission is to create opportunity, social equity, financial mobility, and hope within our communities. We believe inspiring our diverse supplier community to pursue their dreams is good for customers, communities, and business.

Opportunities for Our Partners

To encourage diverse suppliers to form strategic partnerships within the American Family Enterprise, we provide the following.

- Executive Mentorship Program
- Scholarships and Business Development Opportunities
- Supplier Networking Events
- Training & Workshops
- Community Investment with Capital Investment Funding

The Champions Initiative

The American Family Insurance Champions Initiative lets you leverage our team of champion advisors to help tackle your diverse-owned business challenges. This one-year program is customized to your business and positions you to become 'contract ready' for strategic partnerships with American Family Insurance Enterprise and the broader business community.



SUPPLIER DIVERSITY

WHY IS SUPPLIER DIVERSITY SO IMPORTANT?



2022 TIER 1 DIVERSE SPEND RESULTS:



\$142M

Total Economic impact*



\$47M

Total Wages Paid in US



\$71M

Total in Diverse Spending**



763

Total Jobs Created or
Sustained in the US

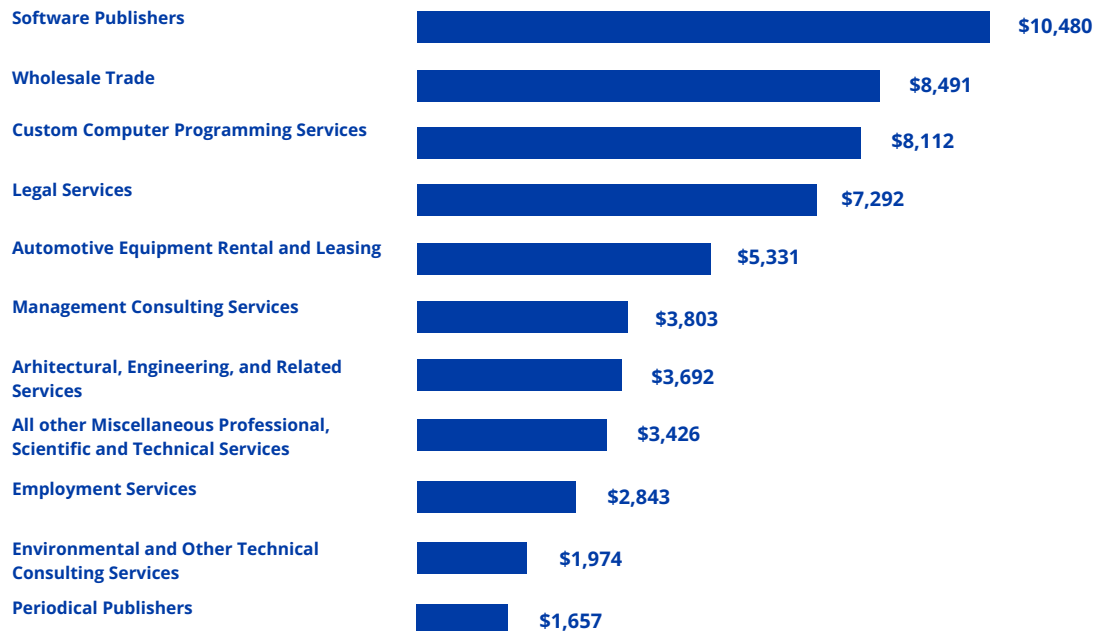
*Total Economic Impact = Economic impact calculations include the direct, indirect, and induced impact generated by the net change in new economic activity from specific events. Any time a corporation spends money with suppliers, the following chain of events occurs: direct impact on a diverse supplier's operations indirect Impact on subcontractors used by that diverse supplier, induced impact from increased spending by the diverse supplier's employees in the communities where they live and work.

**Diverse classifications in this report include minority, women, LGBT, veteran, service-disabled veteran, disability, small disadvantaged, hubzone, and small business.

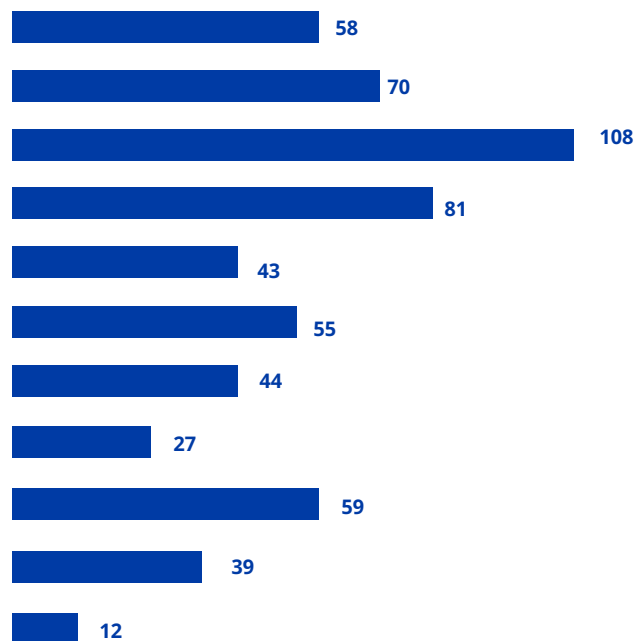
TOTAL IMPACT BY INDUSTRY

Dollars displayed are in thousands

TIER 1 DIVERSE SPEND 2022



NUMBER OF JOBS SUPPORTED



AMERICAN FAMILY'S TOTAL ECONOMIC IMPACT BY TOP 9 STATES

Dollars displayed are in thousands



ILLINOIS

TIER 1 DIVERSE SPEND **\$14,740**
TOTAL ECONOMIC IMPACT **\$32,233**
TOTAL WAGES **\$10,348**
TOTAL JOBS **146**



NEW YORK

TIER 1 DIVERSE SPEND **\$9,953**
TOTAL ECONOMIC IMPACT **\$16,584**
TOTAL WAGES **\$4,712**
TOTAL JOBS **57**



WISCONSIN

TIER 1 DIVERSE SPEND **\$9,000**
TOTAL ECONOMIC IMPACT **\$17,504**
TOTAL WAGES **\$6,641**
TOTAL JOBS **126**



MASSACHUSETTS

TIER 1 DIVERSE SPEND **\$7,271**
TOTAL ECONOMIC IMPACT **\$14,521**
TOTAL WAGES **\$6,102**
TOTAL JOBS **107**



NEW JERSEY

TIER 1 DIVERSE SPEND **\$6,648**
TOTAL ECONOMIC IMPACT **\$13,416**
TOTAL WAGES **\$3,400**
TOTAL JOBS **52**



MISSOURI

TIER 1 DIVERSE SPEND **\$5,820**
TOTAL ECONOMIC IMPACT **\$11,943**
TOTAL WAGES **\$3,980**
TOTAL JOBS **66**



GEORGIA

TIER 1 DIVERSE SPEND **\$2,937**
TOTAL ECONOMIC IMPACT **\$6,525**
TOTAL WAGES **\$2,686**
TOTAL JOBS **43**



CALIFORNIA

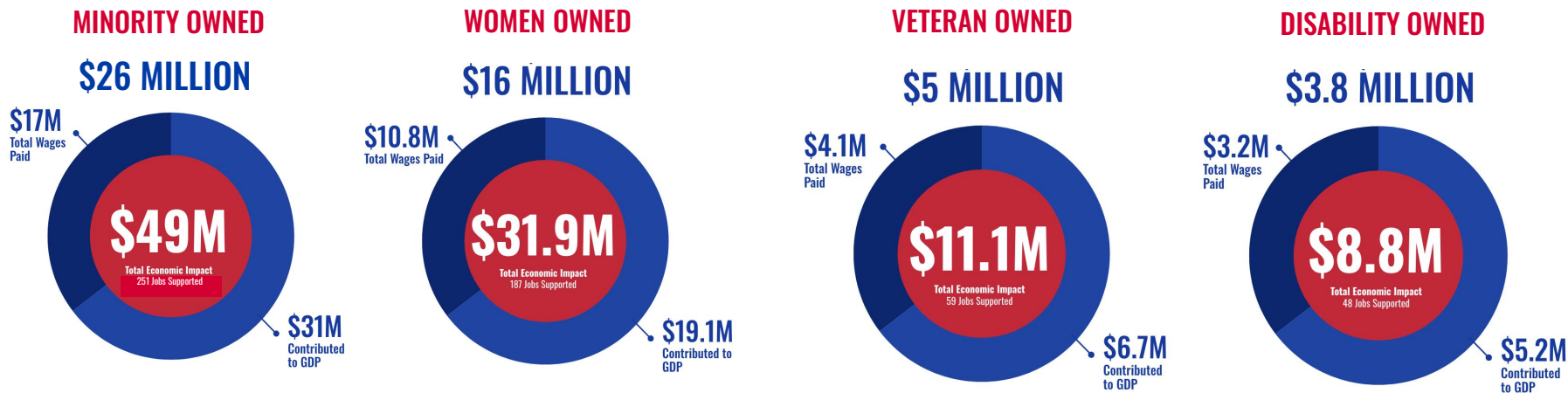
TIER 1 DIVERSE SPEND **\$2,912**
TOTAL ECONOMIC IMPACT **\$5,934**
TOTAL WAGES **\$1,880**
TOTAL JOBS **25**



WASHINGTON

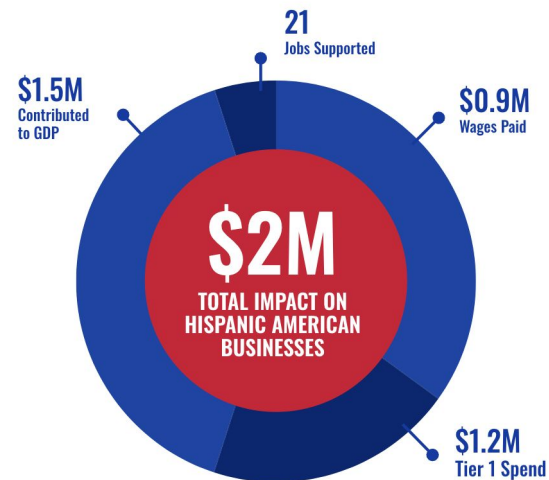
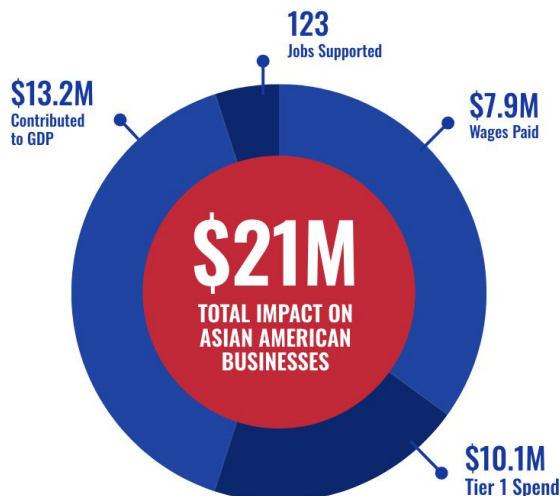
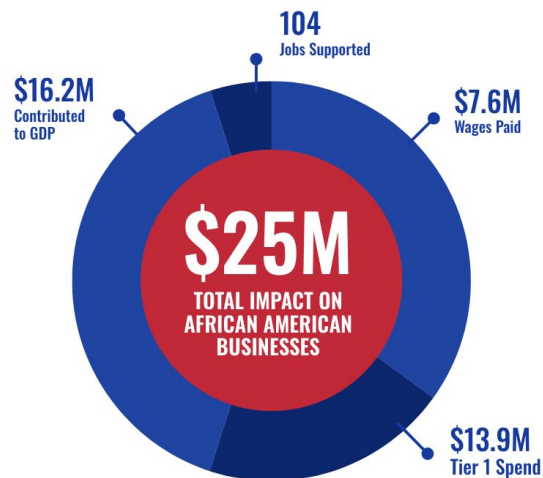
TIER 1 DIVERSE SPEND **\$2,073**
TOTAL ECONOMIC IMPACT **\$3,655**
TOTAL WAGES **\$1,181**
TOTAL JOBS **16**

2022 TOTAL SPEND IMPACT IN THE US BY DIVERSE CATEGORIES



The information on pages 13 and 14 represent a subset of the total diversity classifications and ethnicities. Suppliers may be included in one or more categories. For example, \$100,000 in spend with a Hispanic women owned company would be included in two categories – Minority owned and Women owned, but only included once for total diverse spend reported on page 10.

TOTAL US ECONOMIC IMPACT BY ETHNICITY



The information on pages 13 and 14 represent a subset of the total diversity classifications and ethnicities. Suppliers may be included in one or more categories. For example, \$100,000 in spend with a Hispanic women owned company would be included in two categories – Minority owned and Women owned, but only included once for total diverse spend reported on page 10.

THE ECONOMIC IMPACT GENERATED FROM AMERICAN FAMILY'S SUPPLIER DIVERSITY INITIATIVE SUPPORTS THE UNITED NATION'S SIX SUSTAINABLE DEVELOPMENT GOALS SHOWN BELOW.*



United Nations



NO POVERTY



GOOD HEALTH AND WELLBEING



GENDER EQUALITY



DECENT WORK AND ECONOMIC GROWTH



INDUSTRY, INNOVATION AND INFRASTRUCTURE

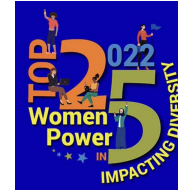


REDUCED INEQUALITIES

* To learn more about the UN's sustainability goals, please visit the official United Nations website: undp.org

AWARDS & RECOGNITION

At American Family Insurance, diversity and inclusion are imperative to our mission of inspiring, protecting and restoring dreams. That's why we are honored to be recognized by the below organizations.



PARTNERS



OUR METHODOLOGY

To generate the direct, indirect, and induced economic impacts referenced in this report, SB Services, Inc. applied RIMS II multipliers from the US Bureau of Economic Analysis.

The Regional Input-Output Modeling System (RIMS II) multipliers measure the effects of local demand shocks on total gross output, value added, earnings, and employment. The multipliers are used by investors, planners, and elected officials to objectively assess the potential economic impacts of various projects.

RIMS II multipliers are based on 2012 national benchmark input-output data and 2020/2021 regional data, which is the most recent available. RIMS II multipliers are produced by the Regional Product Division of the Bureau of Economic Analysis.

For additional information, contact info@sbservicesinc.com. www.sbservicesinc.com



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SUPPLIER DIVERSITY
PROGRAM,**

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AmFam.com/SupplierDiversity