



DIVISION OF
CORPORATION FINANCE

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

April 11, 2025

Benjamin R. Pedersen
Debevoise & Plimpton LLP

Re: The Allstate Corporation (the "Company")
Incoming letter dated March 7, 2025

Dear Benjamin R. Pedersen:

This letter is in response to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by the Laird Norton Family Foundation for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders.

The Proposal requests the Company issue a report disclosing how it intends to measure, disclose, and reduce the greenhouse gas emissions associated with its underwriting, insuring, and investment activities in alignment with the Paris Agreement's 1.5°C goal.

There appears to be some basis for your view that the Company may exclude the Proposal under Rule 14a-8(i)(7). In our view, the Proposal seeks to micromanage the Company. Accordingly, we will not recommend enforcement action to the Commission if the Company omits the Proposal from its proxy materials in reliance on Rule 14a-8(i)(7).

Copies of all of the correspondence on which this response is based will be made available on our website at <https://www.sec.gov/corpfin/2024-2025-shareholder-proposals-no-action>.

Sincerely,

Rule 14a-8 Review Team

cc: Andrew Behar
As You Sow

March 7, 2025

Via Online Shareholder Proposal Form

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, N.E.
Washington, D.C. 20549

Re: The Allstate Corporation: Omission of Stockholder Proposal Relating to Greenhouse Gas Emissions Submitted by As You Sow, on Behalf of the Laird Norton Family Foundation for 2025 Annual Meeting of Stockholders

Ladies and Gentlemen:

Pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended, on behalf of our client, The Allstate Corporation, a Delaware corporation (the “Company”), we are writing to notify the Securities and Exchange Commission (the “Commission”) of the Company’s intention to exclude from the Company’s proxy materials (the “Proxy Materials”) to be distributed by the Company in connection with its 2025 annual meeting of stockholders (the “2025 Annual Meeting”) a stockholder proposal (the “Proposal”) received from As You Sow, on behalf of the Laid Norton Family Foundation (together, the “Proponent”) by letter dated December 2, 2024. The full text of the Proposal submitted to the Company is attached hereto as Exhibit A, and all related correspondence with the Proponent is attached hereto as Exhibit B.

The Company intends to exclude the Proposal from the Proxy Materials and hereby respectfully requests confirmation that the staff of the Division of Corporation Finance (the “Staff”) of the Commission will not recommend any enforcement action if, in reliance on Rule 14a-8, the Company omits the Proposal in its entirety from the Proxy Materials. In addition, the Company requests the Staff waive the 80-day deadline in Rule 14a-8(j)(1) for good cause.

Pursuant to Staff Legal Bulletin No. 14D (Nov. 7, 2008) (“SLB 14D”) and Rule 14a-8(j), this letter is being submitted using the Staff’s online Shareholder Proposal Form. This letter constitutes the Company’s statement of the reasons it deems the omission of the Proposal from the Proxy Materials to be proper.

March 7, 2025

Pursuant to Rule 14a-8(j), we are simultaneously sending a copy of this letter (including the related attachments) to the Proponent as notice of the Company's intent to omit the Proposal from the Proxy Materials. In addition, in accordance with Rule 14a-8(k) and SLB 14D, the Company takes this opportunity to inform the Proponent that if it elects to submit additional correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should concurrently be furnished to the undersigned on behalf of the Company pursuant to Rule 14a-8(k) and SLB 14D.

Pursuant to the guidance provided in Section F of Staff Legal Bulletin No.14F (Oct. 18, 2011), we ask that the Staff provide its response to this request to the undersigned via e-mail at the address noted in the last paragraph of this letter.

The Company currently intends to file its definitive Proxy Materials with the Commission on or around April 15, 2025.

THE PROPOSAL

The Proponent requested that the following proposal be voted on by the Company's stockholders at the 2025 Annual Meeting:

“RESOLVED: Shareholders request that Allstate issue a report, at reasonable cost and omitting proprietary information, disclosing how it intends to measure, disclose, and reduce the greenhouse gas emissions associated with its underwriting, insuring, and investment activities in alignment with the Paris Agreement's 1.5°C goal.”

BASES FOR EXCLUSION

The Company believes that the Proposal may be properly omitted from the Proxy Materials pursuant to Rule 14a-8(i)(7) because the subject matter of the Proposal relates to the Company's ordinary business operations and the Proposal impermissibly seeks to micromanage the Company.

ANALYSIS

The Proposal may be omitted under Rule 14a-8(i)(7) because its subject matter relates to the Company's ordinary business operations and impermissibly seeks to micromanage the Company.

A. Overview of Rule 14a-8(i)(7)

A stockholder proposal may be excluded under Rule 14a-8(i)(7) if “the proposal deals with a matter relating to the company's ordinary business operations.” In Release No. 34-40018

(May 21, 1998) (the “1998 Release”), the Commission noted that the term “ordinary business” refers to matters that are not necessarily “ordinary” in the common meaning of the word; instead, the term “is rooted in the corporate law concept of providing management with flexibility in directing certain core matters involving the company’s business and operations.”

The Commission also noted that the principal policy for this exclusion is “to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting” and identified two central considerations that underlie this policy: first, that “[c]ertain tasks are so fundamental to the management’s ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight.” Second, “the degree to which the proposal seeks to ‘micro-manage’ the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment.”

When assessing proposals under Rule 14a-8(i)(7), the Staff considers the terms of the resolution and its supporting statement as a whole. See Staff Legal Bulletin No. 14C (Jun. 28, 2005) (“In determining whether the focus of these proposals is a significant social policy issue, we consider both the proposal and the supporting statement as a whole”). Framing a stockholder proposal in the form of a request for a report does not change the nature of the proposal. The Commission has stated that a proposal requesting the dissemination of a report may be excludable under Rule 14a-8(i)(7) if the subject matter of the proposed report is within the ordinary business operations of the issuer. See *Exchange Act Release No. 20091* (Aug. 16, 1983) and *Johnson Controls, Inc.* (avail. Oct. 26, 1999) (“[Where] the subject matter of the additional disclosure sought in a particular proposal involves a matter of ordinary business ... it may be excluded under [R]ule 14a-8(i)(7).”)

In Staff Legal Bulletin No. SLB 14J (Oct. 23, 2018) (“SLB 14J”), the Staff also stated that, “consistent with Commission guidance, [we will] consider the underlying substance of the matters addressed by the study or report. Thus, for example, a proposal calling for a report may be excludable if the substance of the report relates to the imposition or assumption of specific timeframes or methods for implementing complex policies.” Staff Legal Bulletin No. 14K (Oct. 16, 2019) (“SLB 14K”) further provides that “[w]hen a proposal prescribes specific actions that the company’s management or the board must undertake without affording them sufficient flexibility or discretion in addressing the complex matter presented by the proposal, the proposal may micromanage the company to such a degree that exclusion of the proposal would be warranted.”

B. The Proposal Relates to the Company’s Ordinary Business Operations and is Excludable

The Company’s Ordinary Business Operations

The Proposal requests that the Company issue a report disclosing how it intends to measure, disclose and reduce the greenhouse gas emissions (“GHG”) associated with its

underwriting, insuring and investment activities in alignment with the Paris Agreement. The subject matter of the report requested by the Proposal—the management of the Company’s underwriting, insuring and investment activities in alignment with the goals of the Paris Agreement—relates directly to the Company’s fundamental ability to manage its business as an insurance company. In short, the Proposal seeks to intrude impermissibly on management’s day-to-day operation of the Company.

It is well established that a company’s decisions as to whether to offer particular products and services and the manner in which a company offers those products and services—including, in the Company’s case, underwriting, insuring and investment activities which are fundamental to its insurance product offering—are precisely the kind of fundamental, day-to-day operational matters meant to be covered by the ordinary business operations exception under Rule 14a-8(i)(7). For example:

- *Wells Fargo & Co.* (avail. Mar. 5, 2019) (concurring in the omission of a proposal requesting that the company adopt a policy for reducing GHG emissions resulting from its loan and investment portfolios, in alignment with the Paris Agreement, and issue annual reports, noting that the proposal would “require [the company] to manage its lending and investment activities in alignment with the goals of the Paris Agreement [and by] [i]mposing this overarching requirement [. . .] [the proposal] would micromanage” the company);
- *Wells Fargo & Co.* (avail. Jan. 28, 2013) (recon. denied Mar. 4, 2013) (concurring in the omission of a proposal requesting a report “discussing the adequacy of the company’s policies in addressing the social and financial impacts of direct deposit advance lending... because “the proposal relates to the products and services offered for sale by the company” and that “[p]roposals concerning the sale of particular products and services are generally excludable under rule 14a-8(i)(7)”);
- *JPMorgan Chase & Co. (Rice)* (avail. Feb. 21, 2019) (concurring in the omission of a proposal relating to the Company’s overdraft policies and practices because it related to “the products and services offered for sale by the company”); and
- *JPMorgan Chase & Co. (Harangozo)* (avail. Mar. 19, 2019) (concurring in the omission of a proposal relating to the construction of a sea-based canal in Mexico because it related to “the products and services offered for sale by the company”).

The Staff has also consistently concurred with the exclusion of proposals that relate to the manner in which a company manages its investment strategy on the basis that it relates to ordinary business operations matters. For example:

- *California Real Estate Investment Trust* (avail. July 6, 1988) (concurring with the exclusion under the predecessor to Rule 14a-8(i)(7) of a proposal requesting the company return to a policy of purchasing specific types of real estate and

avoiding equity related loans because the proposal related to the company's ordinary business operations, "i.e., the determination of investment strategies");

- *Sempra Energy* (avail. February 7, 2000) (concurring with the exclusion under Rule 14a-8(i)(7) of a proposal seeking to mandate investments in certain utilities because the proposal related to the company's "investment and operational decisions"); and
- *EC Electronics Corp.* (avail. November 3, 2011), (concurred with the exclusion of a proposal requesting that the company retain a minimum cash balance under certain circumstances under Rule 14a-8(i)(7) as relating to the company's ordinary business operations, noting that the proposal "relates to the management of cash.").

Consistent with the letters described above, the Proposal deals directly with the Company's ordinary business operations as an insurance business. In the ordinary course of its business, the Company provides a wide range of insurance products, including automotive insurance, homeowners insurance and other personal lines, as well as select commercial property and casualty insurance, protection services, employer voluntary benefits, group health insurance and individual health insurance. The underwriting and investing activities of the Company are integral to these product offerings.

Although the Proposal on its face asks only for a report, in reality it pertains to fundamental decisions about what types of underwriting, insuring, and investment activities the Company will participate in, and thus what types of insurance products it will offer. The Proposal's "whereas" clause specifically describes certain ordinary business activities that the Proponent purports to be problematic, including the Company limiting the issuance of new policies in California, raising "its California homeowner's insurance premiums" and "investing in and underwriting high greenhouse gas-emitting activities." Notwithstanding that many of the Proponent's assertions are inaccurate, the Proposal clearly and directly relates to the Company's core business of providing insurance products. Therefore, the Proposal may be excluded under Rule 14a-8(i)(7) as relating to the Company's ordinary business operations.

Significant Policy Issue

In addition, we note that that Staff has previously stated that a proposal generally will not be excludable under Rule 14a-8(i)(7) where it raises a significant policy issue (Staff Legal Bulletin No. 14E (October 27, 2009) ("SLB 14E"). The fact that a proposal may touch upon a significant policy issue, however, does not preclude exclusion under Rule 14a-8(i)(7). Instead, the question is whether the proposal focuses primarily on a matter relating to the company's ordinary business operations or raises a policy issue that transcends the company's ordinary business, and whether or not the policy issue has a sufficient nexus to the company. See 1998 Release; SLB 14M; SLB 14K; SLB 14E. Further, the Staff recently revised its approach to how

it evaluates significant policy issues, providing that a “case-by-case” approach to evaluating significance is appropriate. See SLB 14M.

Prior to the rescission of Staff Legal Bulletin No. 14L (November 3, 2021), the Staff has consistently permitted the exclusion of stockholder proposals where the proposal focused on ordinary business operations matters, even though it also related to a potential significant policy issue such as GHG emissions. For example:

- *Apple Inc.* (avail. December 21, 2017) (proposal requesting the Apple board prepare a report evaluating potential for Apple to achieve net-zero GHG emissions by a fixed date);
- *Verizon Communications Inc.* (avail. March 6, 2018) (proposal requesting the Verizon board prepare a report evaluating potential for Verizon to achieve net-zero GHG emissions by a fixed date);
- *EOG Resources, Inc.* (avail. February 26, 2018) (proposal requesting EOG adopt company-wide, quantitative, time-bound GHG emissions reduction targets and issue a report);
- *Exxon Mobil Corporation* (avail. April 2, 2019) (proposal requesting disclosure of GHG targets in line with Paris Agreement goals);
- *The Goldman Sachs Group, Inc.* (avail. March 12, 2019) (proposal requesting the company adopt a policy to reduce the carbon footprint of its loan and investment portfolios in alignment with the Paris Agreement);
- *Wells Fargo & Company* (avail. March 5, 2019) (proposal requesting the company adopt a policy for reducing GHG resulting from its loan and investment portfolios to align with the Paris Agreement); and
- *Devon Energy Corporation* (avail. March 4, 2019, *recon. denied* April 1, 2019) (proposal requesting in annual reporting beginning in 2020, a report of short-, medium- and long-term greenhouse gas targets aligned with reduction goals set in the Paris Agreement to maintain global average temperatures substantially below two degrees Celsius and to pursue efforts to limit increases to 1.5°C).

Here, the Proposal requests a report “disclosing how [Allstate] intends to measure, disclose, and reduce the GHG emissions associated with its underwriting, insuring, and investment activities.” Although the report nominally relates to GHG emissions, it is a thinly veiled attempt to influence decisions that are fundamental to the Company’s ordinary business operations. As discussed above, the requested report would necessarily impact what underwriting, insuring and investment activities the Company participates in and how those

activities are evaluated. Accordingly, under both long-standing Commission precedent and the renewed guidance in SLB 14M, the Proposal is excludable under Rule 14a-8(i)(7).

C. The Proposal Impermissibly Seeks to Micromanage the Company and is Excludable

As described in “*Overview of Rule 14a-8(i)(7)*” above, proposals that impermissibly micromanage a company “by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment” are excludable under Rule 14a-8(i)(7). See 1998 Release. As the Commission has explained, a proposal may probe too deeply into matters of a complex nature if it “involves intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies.” See 1998 Release; SLB 14J. In SLB 14J, the Staff explained that “[u]nlike the first consideration [of the ordinary business exclusion], which looks to a proposal’s subject matter, the second consideration looks only to the degree to which a proposal seeks to micromanage. Thus, a proposal that may not be excludable under the first consideration may be excludable under the second if it micromanages the company.”

The Staff has consistently concurred that stockholder proposals attempting to micromanage a company by providing specific details for implementing a proposal as a substitute for the judgment of management are excludable under Rule 14a-8(i)(7). For example:

- *Devon Energy Corporation* (avail. March 4, 2019, *recon. denied* April 1, 2019) (concurring with the exclusion of a proposal requesting in annual reporting beginning in 2020, a report of short-, medium- and long-term greenhouse gas targets aligned with reduction goals set in the Paris Agreement to maintain global average temperatures substantially below two degrees Celsius and to pursue efforts to limit increases to 1.5°C on the basis that “the Proposal would micromanage the Company by seeking to impose specific methods for implementing complex policies in place of the ongoing judgments of management as overseen by its board of directors.”);
- *Duke Energy Carolinas, LLC* (avail. Feb. 16, 2001) (concurring with the exclusion of a proposal that recommended to the company's board that they take specific steps to reduce nitrogen oxide emissions from the company's coal-fired power plants by 80% and to limit each boiler to 0.15 pounds of nitrogen oxide per million BTUs of heat input by a certain year);
- *Ford Motor Co.* (avail. Mar. 2, 2004) (concurred with the exclusion of proposals that lack detailed reporting requirements where the nature of the proposal (including implementation) nonetheless “prob[es] too deeply into matters of a complex nature.”); and
- *Marriott International Inc.* (avail. Mar. 17, 2010) (concurring with the exclusion of a proposal to install and test low-flow shower heads in some of the company’s

hotels because it impermissibly micromanaged the company by requiring the use of specific technologies).

Further, in SLB 14K, the Staff clarified that “a proposal, regardless of its precatory nature, that prescribes specific timeframes or methods for implementing complex policies . . . may be viewed as micromanaging the company.” Moreover, “the precatory nature of a proposal does not bear on the degree to which a proposal micromanages.” Instead, the Staff assesses the “level of prescriptiveness of the proposal,” and “if the method or strategy for implementing the action requested by the proposal is overly prescriptive, thereby potentially limiting the judgment and discretion of the board and management, the proposal may be viewed as micromanaging the company.”

The Proposal’s prescriptiveness would interfere with the discretion of the Board of Directors of the Company (the “Board”) and management to make informed judgments about the conduct of the Company’s business. The Proposal seeks to dictate specific actions by the Company, specifically relating to the Paris Agreement’s 1.5°C goal. Additionally, the Proposal overrides the Company’s existing, robust set of disclosures and policies on GHG emissions that the Board and management have determined to be appropriate for the Company’s business, and imposes a new, specific method for implementing a complex policy.

The Board, the Nominating, Governance and Social Responsibility Committee of the Board and the Risk and Return Committee of the Board are responsible for oversight of matters related to sustainability, including climate risk. Climate risk is firmly embedded in the Company’s Enterprise Risk and Return Management Framework, which utilizes a principles-based model focused on assessment, transparency and dialogue, and defines how the Company operates and guides risk and return decision-making. Climate risk is managed within the Enterprise Risk and Return Framework and evaluated across six key risk and return categories: strategic, insurance, financial, investment, operational and culture. Working with management, the Board and the Risk and Return Committee oversee management’s identification, measurement, management and monitoring of climate risks on an ongoing basis and in a manner that the Company has determined to be in the best interests of the Company and its stockholders.

The Proposal seeks to micromanage the Company by requesting that the Company make decisions and take actions outside of the Company’s established Enterprise Risk and Return Framework. By calling for reduction of GHG emissions in “alignment with the Paris Agreement’s 1.5°C goal,” the Proposal effectively requires that the Company set a target, inclusive of Scope 3 GHG emissions from its investment and insurance activities, to reach net zero emissions by 2050 or sooner.¹ The Company has determined that it would not be in the best interests of the Company or its stockholders to set a Scope 3 GHG emissions target at this time,

¹ See Corporate Value Chain (Scope 3) Accounting and Reporting Standard, which defines Scope 3 GHG emissions as “[a]ll indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions,” available at <https://ghgprotocol.org/corporate-value-chain-scope-3-standard>.

including because the measurement methodologies and regulatory requirements for Scope 3 GHG emissions are still developing and recent engagement with significant institutional stockholders indicates that the Company's stockholders do not expect the Company to set such a target. Further, the Paris Agreement's 1.5°C goal referenced in the Proposal expressly includes achieving "net zero" emissions in the second half of this century.² Therefore, the Proposal effectively requires the Company to set a time-bound, quantitative target to align with Paris Agreement's 1.5°C goal, which is exactly the type of time-bound target that SLB 14K indicated micromanages companies.

In addition, the Proposal seeks to micromanage the Company by requesting a report that that necessarily requires the Company to measure and report its GHG emissions in a particular way. In so doing, the Proposal is overly prescriptive and unduly burdensome—it imposes specific and detailed reporting requirements on the Company's public disclosures and overrides the Board and management's determinations that have been made in accord with its Enterprise Risk and Return Framework.

The Board has carefully reviewed the Proposal and believes it is not in the best interests of the Company or its stockholders. In fact, the Board and management believe implementing the Proposal would negatively impact the Company's business. Scope 3 GHG emissions—which make up more than 99% of the Company's total emissions profile—are largely outside of the Company's control. Since the Company does not have direct control over the operations of the vast majority of its investees, to "align" with the Paris Agreement and meet the 1.5°C target, the Company may be required to divest of companies whose operations, products or services result in a significant amount of GHG emissions. Investment restrictions and/or divestment require consideration of complex portfolio management issues such as portfolio construction, diversification, risk management, and potential returns and could negatively impact the Company by unnecessarily restricting risk-adjusted assets in the Company's investment portfolio and negatively affecting returns. In addition, the Company does not believe that it would be in the best interests of stockholders to align to a net zero target that would require significant Company resources and distract from current practices established in accordance with the Company's Enterprise Risk and Return Management Framework.

Moreover, the Proposal includes a number of incorrect statements and does not capture the breadth and depth of the Company's existing climate risk strategy. The Proponent alleges

² See Article 4 of the Paris Agreement: "In order to [achieve Article 2], Parties aim to reach global peaking of greenhouse gas emissions as soon as possible, recognizing that peaking will take longer for developing country Parties, and to undertake rapid reductions thereafter in accordance with best available science, so as to achieve a balance between anthropogenic emissions by sources and removals by sinks of greenhouse gases in the second half of this century, on the basis of equity, and in the context of sustainable development and efforts to eradicate poverty," *available at* <https://unfccc.int/resource/docs/2015/cop21/eng/109.pdf>. See also Track 0, The 2015 Paris Agreement: "The long-term emissions reduction goal the Agreement expresses can be summarised as aiming for 'net zero' in the second half of this century as a way of keeping maximum global temperature rise well below 2°C/1.5°C," *available at* <http://track0.org/why-net-zero/the-2015-paris-agreement/>.

March 7, 2025

that “Allstate does not disclose the emissions from its investment or its insurance activities.” This statement is incorrect. Allstate currently discloses emissions at the enterprise level across all relevant emissions sources using a mix of estimated and actual data. Beginning with fiscal year 2022, the Company has publicly disclosed Scope 3 GHG emissions from its investment portfolio in its CDP (formerly the Carbon Disclosure Project) and Task Force on Climate-related Financial Disclosures reports. The Company does not report GHG emissions from insurance policies themselves because methodologies are still emerging or do not yet exist for personal lines, such as homeowner’s insurance policies, which constitute the majority of the Company’s underwriting activities. In 2022, the Company committed to a goal of achieving net zero Scope 1 and Scope 2 GHG emissions target by 2030. Since 2022, the Company has reduced its Scope 1 and Scope 2 GHG emissions year-over-year (reducing Scope 1 and 2 emissions by 33% from 2022 to 2023) and is on-track to achieve net zero Scope 1 and 2 GHG emissions by 2030.

The Company believes that its approach, which has been developed and reviewed in accord with the Company’s Enterprise Risk and Return Management Framework, is the best path forward to create stockholder value, and that the Proposal impermissibly seeks to micromanage the Company and thus may be excluded pursuant to Rule 14a-8(i)(7).

Waiver of the 80-day requirement in Rule 14a-8(j)(1) is appropriate.

The Company further requests that the Staff waive the 80-day filing requirement set forth in Rule 14a-8(j) for good cause. Rule 14a-8(j)(1) requires that, if a company “intends to exclude a proposal from its proxy materials, it must file its reasons with the Commission no later than 80 calendar days before it files its definitive proxy statement and form of proxy with the Commission.” However, Rule 14a-8(j)(1) allows the Staff to waive the deadline if a company can show “good cause.” As provided in SLB 14M, the Staff has indicated that it will consider the publication of such bulletin to be good cause if the no action request relates to legal arguments described in the bulletin.

The Company is currently preparing its definitive proxy statement for the 2025 Annual Meeting and intends to begin the printing process on April 11, 2025 and file the definitive proxy statement with the Commission on or about April 15, 2025. Therefore, the filing date is less than 80 calendar days from the date of this letter. Based on the legal arguments set forth in this letter—which include specific legal arguments considering SLB 14M, we believe the Company has shown “good cause” for its inability to meet the 80-day requirement, and we respectfully request that the Staff waive the 80-day requirement with respect to this letter.

March 7, 2025

CONCLUSION

For the foregoing reasons, the Company respectfully requests that the Staff confirm that it will not recommend any enforcement action to the Commission if the Proposal is excluded from the Proxy Materials.

If you have any questions regarding this letter or require any additional materials, please do not hesitate to contact me at Benjamin R. Pedersen at brpedersen@debevoise.com or (212) 909-6121 or Peter J. Loughran at pjloughran@debevoise.com or (212) 909-6375.

Sincerely,



Benjamin R. Pedersen

cc: Christine DeBiase, Executive Vice President and Chief Legal Officer, The Allstate Corporation
Julie E. Cho, Vice President, Deputy General Counsel and Corporate Secretary, The Allstate Corporation
Peter J. Loughran, Debevoise & Plimpton LLP
Andrew Behar, David Shugar and Mary Zuccarello – As You Sow

Enclosures

Exhibit A: The Proposal and Related Supporting Statement
Exhibit B: Correspondence with the Proponent

Exhibit A
The Proposal



2020 Milvia St. Suite 500
Berkeley, CA 94704

www.asyousow.org
BUILDING A SAFE, JUST, AND SUSTAINABLE WORLD SINCE 1992

VIA FEDEX & EMAIL

December 2, 2024

Christine DeBiase
Executive Vice President, Chief Legal Officer,
General Counsel and Corporate Secretary
The Allstate Corporation,
3100 Sanders Road,
Northbrook, Illinois, 60062

Dear Ms. DeBiase,

As You Sow® is submitting the attached shareholder proposal using shares owned by the *As You Sow* Foundation Fund ("Proponent"), a shareholder of The Allstate Corporation, for a vote at Allstate's 2025 annual shareholder meeting. This proposal requests Allstate issue a report disclosing how it intends to measure, disclose, and reduce the greenhouse gas emissions associated with its underwriting, insuring, and investment activities in alignment with the Paris Agreement's 1.5°C goal.

The *As You Sow* Foundation Fund meets Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934 requirements including the continuous ownership of over \$2,000 worth of Company stock, with voting rights, which the *As You Sow* Foundation Fund has held continuously for over three years and will continue to hold through the date of the Company's annual meeting in 2025.

The *As You Sow* Foundation Fund supports this proposal and a representative of *As You Sow* will attend the stockholder meeting to move the resolution as required.

We are available to discuss this issue and are optimistic that such a discussion could result in resolution of the Proponent's concerns. David Shugar, Climate & Energy Program Manager at [REDACTED] and Mary Zuccarello, Climate & Energy Associate at [REDACTED] are the contact people on behalf of *As You Sow* for this proposal. David and Mary are available for a meeting with the Company regarding this shareholder proposal at the following days/times: [REDACTED]
[REDACTED]

Please also send all correspondence regarding this proposal to
[REDACTED]

Sincerely,

A blue ink signature of Andrew Behar.

Andrew Behar
CEO, *As You Sow*

Enclosures

- Shareholder Proposal

cc: [REDACTED]

WHEREAS: The United States is facing a nationwide, climate-related insurance crisis. Global insured losses from natural catastrophes in 2023 exceeded \$100 billion for the fourth consecutive year.¹ These growing losses have translated into dramatic insurance cost increases. Premiums nationwide rose 34% between 2017 and 2023,² with prices increasing 40% faster than inflation.³ In 2023, 12% of homeowners had no insurance, up from 5% four years earlier, as states like California and Florida become uninsurable due to climate-driven disasters.⁴

Allstate is one of California's seven largest homeowner insurers and recently decided to limit new policies in the state.⁵ Analysis finds that California homeowners could lose up to \$32.1 billion in property value because of non-renewals planned by large insurers.⁶ Allstate will also raise its California homeowner's insurance premiums by an average of 34% this year.⁷

The insurance industry's response to increase premiums and exclude clients from coverage creates an insurance protection gap that increases climate risks to the economy and society at large.⁸ Meanwhile, Allstate is actively amplifying climate risks by continuing to invest in and underwrite high greenhouse gas-emitting activities. Allstate is reported to have \$4.35 billion invested in fossil fuels.⁹

Allstate does not disclose the emissions from its investments or its insurance activities. Thus, shareholders do not know the magnitude and extent of Allstate's climate exposure and how it can be reduced in alignment with global 1.5°C goals. Standards and methodologies exist to quantify and report such emissions. The Partnership for Carbon Accounting Financials released its methodology for measuring insurance-associated emissions two years ago and for financed emissions five years ago.¹⁰

AIG,¹¹ The Hartford,¹² and eleven European insurers¹³ have set net zero by 2050 targets for their investment and insurance portfolios. Travelers,¹⁴ AIG, and The Hartford, alongside fifteen European insurers,¹⁵ have also begun disclosing their financed emissions, and the number of insurers disclosing their insurance-related emissions has increased.¹⁶

RESOLVED: Shareholders request that Allstate issue a report, at reasonable cost and omitting proprietary information, disclosing how it intends to measure, disclose, and reduce the greenhouse gas emissions associated with its underwriting, insuring, and investment activities in alignment with the Paris Agreement's 1.5°C goal.

¹ <https://www.ft.com/content/28bbd550-76f2-4207-8d25-91f8be26972d>

² <https://www.insurancejournal.com/news/national/2024/09/26/794409.htm>

³ <https://www.newyorker.com/news/the-financial-page/the-home-insurance-crisis-that-wont-end-after-hurricane-season>

⁴ <https://www.npr.org/2024/03/03/1233963377/auto-home-insurance-premiums-costs-natural-disasters-inflation>

⁵ <https://finance.yahoo.com/news/limited-home-insurance-options-california-134244292.html>

⁶ <https://us.insure-our-future.com/californias-dirty-dozen/>

⁷ <https://www.latimes.com/business/story/2024-08-29/allstate-34-1-percent-rate-increase-homeowners-insurance>

⁸ <https://shareaction.org/reports/insuring-disaster-2024>, p. 27

⁹ <https://investinginclimatechaos.org/data>

¹⁰ <https://carbonaccountingfinancials.com/en/newsitem/pcaf-launches-the-global-ghg-accounting-and-reporting-standard-for-insurance-associated-emissions>; <https://carbonaccountingfinancials.com/en/standard#a>

¹¹ <https://www.aig.com/content/dam/aig/america-canada/us/documents/about-us/report/aig-sustainability-report-2023.pdf>
p.36

¹² https://ewcstatic.thehartford.com/thehartford/the_hartford/files/Comm/cdp-project-submission.pdf, p. 223

¹³ AXA, Allianz, Aviva, Achmea, NN Group, Generali, Zurich Insurance Group, Talanx, Desjardins, Credit Agricole, a.s.r

¹⁴ https://sustainability.travelers.com/iw-documents/sustainability/Travelers_TCFDReport2023.pdf, p. 34

¹⁵ Swiss Re, Munich Re, Groupama, Ageas

¹⁶ Allianz, Achmea, NN Group, Swiss Re, a.s.r



VIA FEDEX & EMAIL

December 2, 2024

Christine DeBiase
Executive Vice President, Chief Legal Officer,
General Counsel and Corporate Secretary
The Allstate Corporation,
3100 Sanders Road,
Northbrook, Illinois, 60062

Dear Ms. DeBiase,

As You Sow® is co-filing a shareholder proposal on behalf of the following Allstate Corporation shareholder for action at the next annual meeting of Allstate:

- Laird Norton Family Foundation

Shareholder is a co-filer of the enclosed proposal with As You Sow Foundation Fund, who is the Proponent of the proposal. *As You Sow* has submitted the enclosed shareholder proposal on behalf of Proponent for inclusion in the 2025 proxy statement in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. Co-filer will either: (a) be available on the dates and times offered by the Proponent for an initial meeting, or (b) authorize *As You Sow* to engage with the Company on their behalf, within the meaning of Rule 14a-8(b)(iii)(B).

As You Sow is authorized to act on Laird Norton Family Foundation's behalf with regard to withdrawal of the proposal. A representative of the lead filer will attend the stockholders' meeting to move the resolution as required.

A letter authorizing *As You Sow* to act on co-filer's behalf is enclosed.

We are hopeful that the issue raised in this proposal can be resolved. To schedule a dialogue, please contact David Shugar, Climate & Energy Program Manager at [REDACTED] and Mary Zuccarello, Climate & Energy Associate at [REDACTED]. Please send all correspondence **with a copy** to [REDACTED].

Sincerely,

Andrew Behar
CEO, *As You Sow*

Enclosures

- Shareholder Proposal
- Shareholder Authorization

cc: [REDACTED]

WHEREAS: The United States is facing a nationwide, climate-related insurance crisis. Global insured losses from natural catastrophes in 2023 exceeded \$100 billion for the fourth consecutive year.¹ These growing losses have translated into dramatic insurance cost increases. Premiums nationwide rose 34% between 2017 and 2023,² with prices increasing 40% faster than inflation.³ In 2023, 12% of homeowners had no insurance, up from 5% four years earlier, as states like California and Florida become uninsurable due to climate-driven disasters.⁴

Allstate is one of California's seven largest homeowner insurers and recently decided to limit new policies in the state.⁵ Analysis finds that California homeowners could lose up to \$32.1 billion in property value because of non-renewals planned by large insurers.⁶ Allstate will also raise its California homeowner's insurance premiums by an average of 34% this year.⁷

The insurance industry's response to increase premiums and exclude clients from coverage creates an insurance protection gap that increases climate risks to the economy and society at large.⁸ Meanwhile, Allstate is actively amplifying climate risks by continuing to invest in and underwrite high greenhouse gas-emitting activities. Allstate is reported to have \$4.35 billion invested in fossil fuels.⁹

Allstate does not disclose the emissions from its investments or its insurance activities. Thus, shareholders do not know the magnitude and extent of Allstate's climate exposure and how it can be reduced in alignment with global 1.5°C goals. Standards and methodologies exist to quantify and report such emissions. The Partnership for Carbon Accounting Financials released its methodology for measuring insurance-associated emissions two years ago and for financed emissions five years ago.¹⁰

AIG,¹¹ The Hartford,¹² and eleven European insurers¹³ have set net zero by 2050 targets for their investment and insurance portfolios. Travelers,¹⁴ AIG, and The Hartford, alongside fifteen European insurers,¹⁵ have also begun disclosing their financed emissions, and the number of insurers disclosing their insurance-related emissions has increased.¹⁶

RESOLVED: Shareholders request that Allstate issue a report, at reasonable cost and omitting proprietary information, disclosing how it intends to measure, disclose, and reduce the greenhouse gas emissions associated with its underwriting, insuring, and investment activities in alignment with the Paris Agreement's 1.5°C goal.

¹ <https://www.ft.com/content/28bbd550-76f2-4207-8d25-91f8be26972d>

² <https://www.insurancejournal.com/news/national/2024/09/26/794409.htm>

³ <https://www.newyorker.com/news/the-financial-page/the-home-insurance-crisis-that-wont-end-after-hurricane-season>

⁴ <https://www.npr.org/2024/03/03/1233963377/auto-home-insurance-premiums-costs-natural-disasters-inflation>

⁵ <https://finance.yahoo.com/news/limited-home-insurance-options-california-134244292.html>

⁶ <https://us.insure-our-future.com/californias-dirty-dozen/>

⁷ <https://www.latimes.com/business/story/2024-08-29/allstate-34-1-percent-rate-increase-homeowners-insurance>

⁸ <https://shareaction.org/reports/insuring-disaster-2024>, p. 27

⁹ <https://investinginclimatechaos.org/data>

¹⁰ <https://carbonaccountingfinancials.com/en/newsitem/pcaf-launches-the-global-ghg-accounting-and-reporting-standard-for-insurance-associated-emissions>; <https://carbonaccountingfinancials.com/en/standard#a>

¹¹ <https://www.aig.com/content/dam/aig/america-canada/us/documents/about-us/report/aig-sustainability-report-2023.pdf>
p.36

¹² https://ewcstatic.thehartford.com/thehartford/the_hartford/files/Comm/cdp-project-submission.pdf, p. 223

¹³ AXA, Allianz, Aviva, Achmea, NN Group, Generali, Zurich Insurance Group, Talanx, Desjardins, Credit Agricole, a.s.r

¹⁴ https://sustainability.travelers.com/iw-documents/sustainability/Travelers_TCFDReport2023.pdf, p. 34

¹⁵ Swiss Re, Munich Re, Groupama, Ageas

¹⁶ Allianz, Achmea, NN Group, Swiss Re, a.s.r

Exhibit B
Correspondence with the Proponent



Adam Israelov
Director and
Senior Managing Counsel,
Corporate Governance

December 10, 2024

VIA ELECTRONIC MAIL to [REDACTED]

Mr. Andrew Behar
Chief Executive Officer
As You Sow
2020 Milvia St. Suite 500
Berkeley, CA 94704

Dear Mr. Behar:

On December 2, 2024 we received two letters dated December 2, 2024 from As You Sow – one letter on behalf of As You Sow Foundation Fund and the other letter on behalf of Laird Norton Family Foundation (the "Proponents"), containing a proposal requesting that Allstate "issue a report, at reasonable cost and omitting proprietary information, disclosing how it intends to measure, disclose, and reduce the greenhouse gas emissions associated with its underwriting, insuring, and investment activities in alignment with the Paris Agreement 1.5° goal." The Securities and Exchange Commission's ("SEC") rules regarding shareholder proposals include certain eligibility requirements that must be met in order for proposals to be included in a company's proxy statement.

One of those requirements, Rule 14a-8(b), states that a shareholder must provide proof of ownership that it has continuously held: (i) at least \$2,000 in market value of Allstate common stock entitled to vote on the proposal for at least three years, preceding and including the date that the proposal was submitted; (ii) at least \$15,000 in market value of Allstate common stock entitled to vote on the proposal for at least two years, preceding and including the date that the proposal was submitted; or (iii) at least \$25,000 in market value of Allstate common stock entitled to vote on the proposal for at least one year, preceding and including the date that the proposal was submitted.

Our records do not indicate that the Proponents are registered holders of Allstate common stock. SEC Rule 14a-8(b)(2)(i) requires that the record holder(s) of the Proponent's shares of Allstate common stock (usually a broker or a bank) provide a written statement verifying that as of December 2, 2024 (the date the proposal was submitted by email to the company), the Proponent has continuously held the requisite amount of securities for the required period.

SEC Staff Legal Bulletin No. ("SLB 14F") clarified that the record holder for purposes of verifying ownership is a participant in the depository trust company ("DTC"). More specifically SLB 14F states:

The Allstate Corporation
Email: [REDACTED]

How can a shareholder determine whether his or her broker or bank is a DTC participant?

Shareholders and companies can confirm whether a particular broker or bank is a DTC participant by checking DTC's participant list, which is currently available on the Internet at:

<http://www.dtcc.com/~media/Files/Downloads/client-center/DTC/alpha.ashx>.

What if a shareholder's broker or bank is not on DTC's participant list?

The shareholder will need to obtain proof of ownership from the DTC participant through which the securities are held. The shareholder should be able to find out who this DTC participant is by asking the shareholder's broker or bank.

If the DTC participant knows the shareholder's broker or bank's holdings, but does not know the shareholder's holdings, a shareholder could satisfy Rule 14a-8(b)(2)(i) by obtaining and submitting two proof of ownership statements verifying that, at the time the proposal was submitted, the required amount of securities were continuously held for at least one year—one from the shareholder's broker or bank confirming the shareholder's ownership, and the other from the DTC participant confirming the broker or bank's ownership.

Additionally, Staff Legal Bulletin No. 14G ("SLB 14G") provided further guidance regarding affiliates of DTC participants and securities intermediaries.

The rules of the SEC require that a response to this letter, correcting all deficiencies described in this letter, be postmarked or transmitted electronically no later than 14 calendar days from the date you receive this letter.

Please direct responses to my attention. If you should have any questions, please feel free to contact me.

Regards,



Adam Israelov
Director and Senior Managing Counsel, Corporate Governance

cc: David Shugar
Climate & Energy Program Manager
[REDACTED]

Mary Zuccarello
Climate & Energy Associate
[REDACTED]

The Allstate Corporation
Email: [REDACTED]



**Wealth
Management**

12/06/24

Andrew Behar
[REDACTED]
[REDACTED]

Dear Andrew,

RBC Capital Markets, LLC, acts as custodian for As You Sow Foundation Fund.

We are writing to verify that our books and records reflect that, As You Sow Foundation Fund, owns 20 shares of Allstate Corp (Cusip# 020002101) representing a market value of over \$2,000 and that, As You Sow Foundation Fund, has owned such shares continuously since Dec 2, 2020. We are providing this information at the request of Andrew Behar in support of its activities pursuant to rule 14a-8(a)(1) of the Securities Exchange Act of 1934.

In addition, we confirm that we are a DTC participant.

Should you require further information, please contact me directly at [REDACTED].

Sincerely,

A handwritten signature in black ink, appearing to read 'Justin Klueger', with a horizontal line drawn through it.

Justin Klueger
Senior Vice President – Financial Advisor

1 Freedom Valley Drive
P.O. Box 1100
Oaks, PA 19456

T 610 676 1000
seic.com



December 16, 2024

Bank Reference Letter

RE: Laird Norton Family Foundation

Per your request, SEI can verify that the below referenced account is an active, open account on SEI's TRUST 3000 and administered by LNW Trust Company, LLC.

- Account number: [REDACTED]
- Account Short Title: [REDACTED]
- Account Long Title: [REDACTED]
- Holding/Position: Allstate Corp.
 - Cusip - 020002101
 - 62 shares
 - Current Market Value: \$12,625.68

This letter will serve as your confirmation that the above referenced account is open as of today, 12/16/24 on TRUST 3000.

SEI Private Trust Company, a DTC participant, confirms that LNW Trust Company, LLC, acts as the custodian for Laird Norton Family Foundation. As of the date of this letter, [REDACTED] account holds, and has held continuously for at least 37 months, 62 shares of Allstate Corp. common stock, with a value of over \$2,000.

The above information is given in strictest confidence for your own use only and without any guarantee, responsibility or liability on the part of this institution or its officials.

Signed: *Stephanie Siekierski*

Date: December 16, 2024

Full Name: Stephanie Siekierski

Title/Position: Client Service Director

April 8, 2025

VIA ONLINE SUBMISSION

Office of Chief Counsel
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street NE
Washington, DC 20549

Email: shareholderproposals@sec.gov

Re: Shareholder Proposal to The Allstate Corporation Regarding Report on Emissions Reductions

Ladies and Gentlemen:

Laird Norton Family Foundation (the “Proponent”) a beneficial owner of common stock of The Allstate Corporation (the “Company” or “Allstate”), has submitted a shareholder proposal (the “Proposal”) asking the Company to disclose short and medium-term targets to reduce the GHG emissions associated with its underwriting, insuring, and investment activities in alignment with Paris Agreement goals. *As You Sow*, the Proponent’s designated representative, writes in response to the Company’s March 7, 2025 “No Action” letter (the “Company Letter”). The Company Letter states that the Company has an April 11, 2025 print deadline for its proxy statement.

The Company Letter contends that the Proposal may be excluded from the Company’s 2025 proxy statement under Rule 14a-8(i)(7) because the Proposal concerns the Company’s ordinary business and seeks to micromanage the Company. However, the Proposal’s request that the Company disclose emissions reduction targets transcends the Company’s ordinary business and falls well within the bounds of permissible shareholder requests. Accordingly, the Company has not met its burden of demonstrating that it may exclude the Proposal.

A copy of this letter is being emailed to the Company concurrently with its submission to the Commission’s online shareholder proposal portal.

We note that the Company submitted an out-of-time no-action letter in response to Staff Legal Bulletin 14M (“SLB 14M”) (Feb. 12, 2025) seeking retroactive application of the standard announced in SLB 14M, which purports to grant a blanket “good cause” exception under Rule 14a-8(j) for no-action letters filed after the deadline set by Rule 14a-8. In responding to the Company’s arguments herein, Proponent does not concede the lawfulness of the blanket 14a-8(j) exception or the retroactive application of the SLB 14M standards to proposals that were written

and due prior to its publication. Proponent expressly reserves all rights and arguments to challenge the 14a-8(j) waiver and/or the retroactive application of the SLB 14M standards and seek other appropriate relief as permitted by law.

For avoidance of doubt, Proponent explicitly contests that the retroactive application of new standards reversing key interpretive guidance can ever constitute “good cause” supporting a waiver of the Company’s deadlines under the promulgated Rule. *See, e.g., N.C. Growers’ Ass’n v. UFW*, 702 F.3d 755, 767 (4th Cir. 2012) (noting that, under APA, “good cause” for deviation from standard procedure is “rare” and “applies only in ‘emergency situations’”); *Azar v. Allina Health Servs.*, 587 U.S. 566 (2019) (concluding that agency did not demonstrate “good cause” to depart from standard notice-and-comment rulemaking for regulation purporting to retroactively reduce payments to hospitals serving low-income patients).

SUMMARY

The Proposal requests that the Company disclose how it intends to measure, disclose, and reduce the greenhouse gas emissions associated with its underwriting, insuring, and investment activities in alignment with the Paris Agreement. The Company has “announced a commitment to achieve net zero emissions for direct, indirect, and value-chain greenhouse gas (GHG) emissions by 2030 in alignment with the Paris Agreement” and has stated an intent to “establish a goal for [its] financed emissions” by the end of 2025.¹

The Company’s arguments that the Proposal violates Rule 14a-8(i)(7) are unpersuasive.

As for ordinary business, the Company does not attempt to demonstrate that the significant policy issue raised by the Proposal is not significant to it—nor could it ever. It is beyond dispute that the emissions associated with the Company’s primary businesses are significant to it. Instead, the Company attempts to argue that the Proposal’s focus on greenhouse gas emissions is a smokescreen for a “thinly veiled” attempt to influence the Company’s product offerings. But the Staff has already concluded that this Proposal raises a policy issue that transcends ordinary business, and the Company does not offer a reason to reconsider that judgment. Because Allstate has not explained why the transcendent policy issue of climate change is not significant to it, it has not met its burden under the Rule. Finally, because the Company’s argument does not actually “relate” to the guidance changes made in SLB 14M, the Staff should decline to consider the Company’s argument on this point altogether.

¹ 2022 Sustainability Report Executive Summary at 8, Allstate (2023), <https://delivery.contenthub.allstate.com/api/public/content/00d7f92d46f24d5caf5d9ef1352e924d?v=beb1057d>.

The Company's micromanagement argument fares no better. This Proposal is less prescriptive than numerous proposals that have survived no-action challenges post-SLB 14M. It asks the Company to describe *how* it could align its primary businesses activities with the Paris Agreement, a request that inherently preserves Company discretion. The request for a high-level report on macro policy concerning a significant policy matter is well within the bounds of appropriate shareholder inquiry.

THE PROPOSAL

WHEREAS: The United States is facing a nationwide, climate-related insurance crisis. Global insured losses from natural catastrophes in 2023 exceeded \$100 billion for the fourth consecutive year.¹ These growing losses have translated into dramatic insurance cost increases. Premiums nationwide rose 34% between 2017 and 2023,² with prices increasing 40% faster than inflation.³ In 2023, 12% of homeowners had no insurance, up from 5% four years earlier, as states like California and Florida become uninsurable due to climate-driven disasters.⁴

Allstate is one of California's seven largest homeowner insurers and recently decided to limit new policies in the state.⁵ Analysis finds that California homeowners could lose up to \$32.1 billion in property value because of non-renewals planned by large insurers.⁶ Allstate will also raise its California homeowner's insurance premiums by an average of 34% this year.⁷

The insurance industry's response to increase premiums and exclude clients from coverage creates an insurance protection gap that increases climate risks to the economy and society at large.⁸ Meanwhile, Allstate is actively amplifying climate risks by continuing to invest in and underwrite high greenhouse gas-emitting activities. Allstate is reported to have \$4.35 billion invested in fossil fuels.⁹

Allstate does not disclose the emissions from its investments or its insurance activities. Thus, shareholders do not know the magnitude and extent of Allstate's climate exposure and how it can be reduced in alignment with global 1.5°C goals. Standards and methodologies exist to quantify

¹ <https://www.ft.com/content/28bbd550-76f2-4207-8d25-91f8be26972d>

² <https://www.insurancejournal.com/news/national/2024/09/26/794409.htm>

³ <https://www.newyorker.com/news/the-financial-page/the-home-insurance-crisis-that-wont-end-after-hurricane-season>

⁴ <https://www.npr.org/2024/03/03/1233963377/auto-home-insurance-premiums-costs-natural-disasters-inflation>

⁵ <https://finance.yahoo.com/news/limited-home-insurance-options-california-134244292.html>

⁶ <https://us.insure-our-future.com/californias-dirty-dozen/>

⁷ <https://www.latimes.com/business/story/2024-08-29/allstate-34-1-percent-rate-increase-homeowners-insurance>

⁸ <https://shareaction.org/reports/insuring-disaster-2024>, p. 27

⁹ <https://investinginclimatechaos.org/data>

and report such emissions. The Partnership for Carbon Accounting Financials released its methodology for measuring insurance-associated emissions two years ago and for financed emissions five years ago.¹⁰

AIG,¹¹ The Hartford,¹² and eleven European insurers¹³ have set net zero by 2050 targets for their investment and insurance portfolios. Travelers,¹⁴ AIG, and The Hartford, alongside fifteen European insurers,¹⁵ have also begun disclosing their financed emissions, and the number of insurers disclosing their insurance-related emissions has increased.¹⁶

RESOLVED: Shareholders request that Allstate issue a report, at reasonable cost and omitting proprietary information, disclosing how it intends to measure, disclose, and reduce the greenhouse gas emissions associated with its underwriting, insuring, and investment activities in alignment with the Paris Agreement’s 1.5°C goal.

ANALYSIS

I. The Proposal Transcends the Company’s Ordinary Business

A. Ordinary Business Standard

Rule 14a-8(i)(7) permits the exclusion of proposals that “deal[] with a matter relating to the company’s ordinary business operations.” All proposals, if implemented, *must* in some way relate to a company’s ordinary business, but not every shareholder proposal is excludable. Proposals that raise substantial: (a) corporate or (b) social policy issues that transcend the Company’s ordinary business may be brought to the proxy for shareholder analysis and a vote. *See Pacific Group Telesis* (Feb. 2, 1989) (declining to concur in exclusion of proposal that “involve[d] substantial corporate policy considerations that go beyond the conduct of the [c]ompany’s ordinary business operations”); SLB 14M (noting that Staff will focus on “whether the proposal . . . raises a policy issue that transcends the individual company’s ordinary business operations.”

¹⁰ <https://carbonaccountingfinancials.com/en/newsitem/pcaf-launches-the-global-ghg-accounting-and-reporting-standard-for-insurance-associated-emissions>; <https://carbonaccountingfinancials.com/en/standard#a>

¹¹ <https://www.aig.com/content/dam/aig/america-canada/us/documents/about-us/report/aig-sustainability-report-2023.pdf> p.36

¹² https://ewcstatic.thehartford.com/thehartford/the_hartford/files/Comm/cdp-project-submission.pdf, p. 223

¹³ AXA, Allianz, Aviva, Achmea, NN Group, Generali, Zurich Insurance Group, Talanx, Desjardins, Credit Agricole, a.s.r

¹⁴ https://sustainability.travelers.com/iw-documents/sustainability/Travelers_TCFDReport2023.pdf, p. 34

¹⁵ Swiss Re, Munich Re, Groupama, Ageas

¹⁶ Allianz, Achmea, NN Group, Swiss Re, a.s.r

Rule 14a-8(i)(7) is intended to prevent interference with “tasks. . . so fundamental to management’s ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight.” 1998 Release. The social policy exception preserves the Company’s ability to manage the company on a day-to-day basis while allowing shareholder oversight over “important issue[s] that [are] appropriate for stockholders to address.” *Broadridge Financial Solutions, Inc.* (Sept. 22, 2021). In such case, a proposal may not be excluded even if it “relates to the ‘nitty-gritty’ of [the company’s] core business.” Staff Legal Bulletin No. 14H (Oct. 22, 2015).

The primary departure of SLB 14M with respect to the ordinary business standard is the use of a “company-specific” approach to whether a proposal raises a significant policy issue that transcends the Company’s ordinary business. This is as simple as recognizing that “[a] policy issue that is significant to one company may not be significant to another.” SLB 14M. Thus, “whether the significant policy exception applies depends on the particular policy issue raised by the proposal and its significance in relation to the company.” *Id.*

B. The Proposal Transcends the Company’s Ordinary Business

First, there is no question that climate change constitutes a significant policy issue that transcends an insurance company’s ordinary business, and the Company Letter does not argue otherwise. *See* Company Letter at 3-6. In fact, the Company Letter does not even argue that climate change is not significant “in relation to the company,” which is the only change that 14M made to the standard ordinary business exception.¹

It is the Company’s burden to demonstrate that the policy issue raised by the Proposal does not transcend its ordinary business. The Company’s failure to do so constitutes a reason to deny its no-action request under post-SLB 14M precedent. *See, e.g., General Dynamics Corp.*, (Mar. 25, 2025) (“In our view, based on the information you have presented, the Company has not demonstrated that the Proposal relates to its ordinary business operations.”); *Wells Fargo & Co.* (Mar. 5, 2025) (same); *Bank of America Corp.* (Mar. 3, 2025) (same).

¹ As such, the Company Letter does not actually rely on the guidance changes made by SLB 14M with respect to this basis for exclusion. SLB 14M clarified that “[t]he publication of this bulletin will not constitute ‘good cause’ for a new request if it does not relate to the request.” Accordingly, independently of both Proponent’s overall objection to the blanket 14a-8(j) waiver and the merits of the arguments, the Staff should decline to find “good cause” to waive the Company’s out-of-time no-action request for this claimed basis for exclusion. The Company’s argument was equally available to the Company prior to the publication of SLB 14M.

Second, Staff precedent firmly establishes that this Proposal transcends ordinary business. *See, e.g., The Travelers Companies, Inc.* (Mar. 30, 2023) (concluding that essentially identical proposal “transcends ordinary business matters”); *Chubb Ltd.* (Mar. 26, 2022) (same). These precedents effectively foreclose the Company Letter’s only real argument on this point — that the Proposal’s focus on a significant policy issue is only “nominal[.]” Company Letter at 6. Apart from emphasizing company-specificity, the Staff has not announced any changes to how it determines, substantively, if a proposal invokes a significant policy issue. The Company does not make any company-specific argument, *see supra*, nor does it provide any argument to reconsider the decisions in *Travelers* and *Chubb*. Therefore, it has not met its burden on this exclusion.

Third, and finally, the arguments made in the Company Letter are unpersuasive. Ultimately, it makes two arguments. The first is discussed above: the idea that the report only “nominally relates to GHG emissions,” but really “is a thinly veiled attempt to influence decisions that are fundamental to the Company’s ordinary business operations.” Company Letter at 6. This is the by-now-familiar and circular argument that Staff should ignore the “significant social policy” issue of climate change because taking action to address climate change will affect its ordinary business. Whether a proposal does so is the *beginning*, not the end of the relevant analysis. Any proposal that qualifies for the significant policy exception would, by definition, involve the Company’s ordinary business. That is what it means to constitute an “exception” to a general rule. The Staff has repeatedly acknowledged as much, noting that proposals that raise transcendent policy issues may not be excluded even if they “relate[] to the ‘nitty-gritty’ of [the company’s] core business.” SLB 14H. The Company’s suggestion that the Proposal is only “nominally” about greenhouse gas emissions or climate change is flatly implausible. The Proposal unquestionably and on its face focuses on the Company’s actions to reduce its climate-related emissions.

This line of argumentation is common—and commonly rejected. For instance, Tesla unsuccessfully argued that while a proposal seeking a moratorium on sourcing minerals from deep-sea mining may mention the environmental consequences of deep-sea mining, it was actually about supplier relationships, an ordinary business issue. *Tesla Inc.* (Mar. 27, 2024). Similarly, Wendy’s argued that while the proposal may mention animal welfare, it was actually about the management of risk related to the sale of pork products, an ordinary business issue. *See The Wendy’s Company* (Mar. 16, 2022) (rejecting this argument). Similarly, Eli Lilly argued ineffectively that, while the proposal may mention DEI, it was actually about workforce management, an ordinary business issue. *See Eli Lilly & Co.* (Mar. 10, 2023). The list of similar Staff precedents rejecting this line of argument is simply too numerous to list exhaustively.

The Company Letter’s other tack is to cite to a list of precedents it argues stand for the proposition that a proposal can be excluded “where the proposal focused on ordinary business

operations matters, even though it also related to a significant policy issue such as GHG emissions.” Company Letter at 6. A cursory review of these precedents demonstrates, unsurprisingly, that they were *micromanagement* exclusions. *See Apple Inc.* (Dec. 21, 2017) (“In our view, the Proposal seeks to micromanage the company”); *Verizon Comm’s Inc.* (Mar. 6, 2018) (same); *EOG Resources, Inc.* (Feb. 26, 2018) (same); *Exxon Mobil Corp.* (Apr. 2, 2019) (“[T]he Proposal would micromanage the Company”); *The Goldman Sachs Group, Inc.* (Mar. 12, 2019) (same); *Wells Fargo & Co.* (Mar. 5, 2019) (same); *Devon Energy Corp.* (Mar. 4, 2019, *recon. denied* Apr. 1, 2019) (same). The micromanagement exclusion is an *independent* basis for exclusion, and is discussed *infra*. None of the precedents cited support the Company Letter’s argument for exclusion under the standard ordinary business exclusion.

II. The Proposal does not seek to micromanage the Company

A. Micromanagement Standard

The Commission has recognized the exclusion under Rule 14a-8(i)(7) of proposals seeking to “micromanage” companies by “probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment.” 1998 Release.

In SLB 14M, the Staff reinstated guidance concerning the scope of the micromanagement exclusion from SLBs 14J and 14K. The guidance in those bulletins emphasizes that a proposal may seek to micromanage if it “involves intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies.” SLB 14M (Annex A, quoting SLB 14J). Additionally, the Staff looks “to whether the proposal seeks intricate detail or imposes a specific strategy, method, action, outcome, or timeline for addressing an issue, thereby supplanting the judgment of management and the board.” SLB 14K.

B. The Proposal Does Not Seek to Micromanage Allstate

The Company Letter does not satisfy the Company’s burden of demonstrating that the Proposal inappropriately limits management or the Board’s discretion.

First, the majority of the Company Letter is dedicated to arguing that the Proposal micromanages it solely because it asks the Company to do something different than it is already doing. *See, e.g.*, Company Letter at p. 8. (“[T]he Proposal overrides the Company’s existing, robust set of disclosures and policies on GHG emissions”); at p. 9 (“The Proposal seeks to micromanage the Company by requesting that the Company make decisions and take actions outside of the Company’s established Enterprise Risk and Return Framework.”), (the Proposal “overrides the

Board and management’s determinations that have been made in accord with its Enterprise Risk and Return Framework”), (“The Board has carefully reviewed the Proposal and believes it is not in the best interests of the Company or its stockholders.”), (the Proposal would “distract from current practices established in accordance with the Company’s Enterprise Risk and Return Management Framework”); and at p. 10 (“The Company believes that its approach, which has been developed and reviewed in accord with the Company’s Enterprise Risk and Return management Framework, is the best path forward to create stockholder value.”).

The micromanagement standard does not prohibit a shareholder from asking for new or different action. The Company is certainly entitled to oppose the Proposal for policy reasons, to argue in favor of its current approach, and to urge its shareholders to oppose the Proposal and support its current approach, but these objections do not and cannot constitute micromanagement arguments. If all it took to exclude a proposal for micromanagement was an argument from the issuer that a proposal “would distract from current practices” or is not consistent with what it believes is “the best path forward,” the micromanagement exclusion would swallow the shareholder proposal rule whole.

Second, the Company fails to demonstrate that the Proposal unduly limits its discretion. As the Company Letter acknowledges, the micromanagement exclusion is a matter of “degree.” *See* Company Letter at 7. It is insufficient to merely assert that the Proposal requests the Company undertake action that is different than its current course of action. The Rule itself requires as much. *See* Rule 14a-8 (expressly requiring that proposals “state as clearly as possible the course of action that you believe the company should follow”). Rather than prohibiting any request that a company take an action, it is clear from Staff precedent that the micromanagement exclusion turns on the specificity of *how* the proposal should be implemented. *See* SLB 14J (micromanagement when a proposal “involves intricate detail” or “specific . . . methods for implementing complex policies” (emphasis added)), 14K (micromanagement when a proposal “imposes a specific strategy, method, action, outcome, or timeline for addressing an issue (emphasis added)). This distinction is critical and compelled by Rule 14a-8’s instruction that a proposal must ask a company to take a specific action and by its exclusion for vague proposals. *See* Rule 14a-8(i)(3). The Rule itself does not force proponents into a heads-the-company-wins/tails-the-proponent-loses choice between micromanagement and vagueness, but the Company’s argument would.

Here, the Company’s arguments that the Proposal runs afoul of these limits on specificity are largely either conclusory, inaccurate, or inapposite. For example, the Company argues that the Proposal “request[s] a report that that [sic] necessarily requires the Company to measure and report its GHG emissions in a particular way.” The Company does not clarify what “way” or

specific method the Proposal imposes. It takes issue only with the fact that the proposal asks it to report something it is not already reporting.

The Company also argues that the Proposal “effectively requires the Company to set a time-bound quantitative target to align with the Paris Agreement,” Company Letter at 9, ignoring that the Paris Agreement’s timeline for action is the very crux of the Agreement--which is to ensure action to avoid the costs and disruption of increasingly catastrophic climate-related weather events.

Furthermore, the Company itself has announced an explicitly Paris-aligned emissions reduction goal for “direct, indirect, and value-chain” emissions and announced an intent to establish a goal covering its financed emissions by the end of 2025. Inexplicably, however, the Company’s primary argument involves an extended attack on the Paris Agreement, stating that Paris alignment “could negatively impact the Company by unnecessarily restricting risk-adjusted assets in the Company’s investment portfolio and negatively affecting returns” and “would negatively impact the Company’s business.” Company Letter at 9. The Company Letter further says that it believes “that it would [not] be in the best interests of stockholders to align to a net zero target.” *Id.* Given the Company’s disclosure to investors of a Paris-aligned plan and of its intent to establish a goal for financed emissions, this attack on the Paris Agreement is startling.² It also utterly belies the suggestion in the Company Letter that shareholders can be assured that those plans are being formulated according to a consistent policy. If the Company is antagonistic to the Paris Agreement, there is no reason for shareholders to believe that it will take action to align with its goals. In fact, this inconsistency demonstrates why the Proposal seeks information on *how* the Company intends to align its insuring and investing activities with the Paris goal.

Finally, in the context of the Company’s existing climate disclosures and policies, the Proposal does not unduly seek to limit the Company’s discretion. The Company hangs its argument entirely on the Proposal’s stated goal of aligning with the Paris Agreement. Of course, under the guidance in place at the time the Proposal was written and due, reference to international agreements was a factor weighing *against* a finding of micromanagement, not for it. *See* SLB 14L. Apart from the fundamental inequity of retroactively excluding the Proposal based on new guidance, a proposal’s reference to a globally accepted goal hardly constitutes an unacceptable level of specificity that should doom a proposal under the micromanagement rule.

² The Company’s post-2022 disclosures do not indicate any intent to move away from these plans. *See* 2023 Sustainability Report Executive Summary, Allstate (2024), <https://delivery.contenthub.allstate.com/api/public/content/2023-executive-summary?v=298a6f6f> (discussing net zero goal and intent to set target for financed emissions).

Paris alignment is the de facto global standard by which emissions reductions are judged. Paris alignment is not a value judgment, but an empirical question, one that stands as shorthand for a broad policy goal (limiting average global temperature increase to 1.5 degrees Celsius by 2050 to avoid catastrophic and economywide harm) that necessarily permits a variety of company-specific responses in how to implement it. As a rule, a request by shareholders for Paris-aligned targets does not constitute micromanagement, because it is neither intricate nor prescriptive as to a specific method or strategy to achieve that level of emissions reductions. And a report on how a company intends to align with the Paris agreement is even less guilty of micromanagement.

Two recent Staff precedents help demonstrate the burden the Company must meet to demonstrate its discretion is unduly limited and why it failed to meet that burden. Compare the outcomes in *Verizon Communications Inc.* (Mar. 25, 2025) and *Newell Brands Inc.* (Mar. 24, 2025):

Verizon – EXCLUDED	Newell – NOT EXCLUDED
“The Proposal requests the Company’s compensation committee adopt a policy that requires senior executives to retain a significant portion of equity obtained through the Company’s equity compensation plans for two years after their departure from the Company and a policy that prohibits hedging techniques that offset the risk of losses during the two-year period.”	“The Proposal asks the board to adopt a policy requiring the five named executive officers to retain a significant percentage of stock acquired through equity pay programs until reaching retirement.”

Both proposals involve substantially the same subject matter and demand a specific policy be enacted by the Board. *Verizon*, however, attempted to prescribe how to implement the policy with too much specificity, and was excluded as micromanagement. *Newell* left significant implementation details to the board’s discretion as to how to implement functionally the same policy, and was not excluded. The Proposal here, which requests less than either proposal, is substantially more similar to the *Newell* proposal than to the *Verizon* proposal. In asking the Company *how* it intends to reach a goal, it necessarily leaves *all* implementing details to the Company. That the Proposal describes an end goal is no different than *Newell*’s end goal of a policy requiring certain executive officers to retain a significant percentage of stock acquired through equity pay programs until reaching retirement.

Third, the Proposal is well within the bounds of acceptability under recent Staff precedent, which has not interpreted the micromanagement exclusion as aggressively as the Company Letter demands in cherry-picking pre-SLB 14L precedent.

For example, in *Alliant Energy Corp.* (Mar. 27, 2025), the proposal requested that the company “disclose an independent third-party evaluation of the alignment of its short- and medium-term greenhouse gas emissions reduction targets with the Paris Agreement, including a third-party assessment of the methodology the company used to set its targets.” This proposal is indistinguishable in terms of micromanagement from the Proposal here. Each asks the recipient issuer to take action with respect to the Paris alignment of its emissions reduction targets. A third-party report on alignment is hardly any less limiting of discretion than a report disclosing *how* the company might align its targets. Yet, the Staff declined to concur in the company’s micromanagement argument, and should do the same here.

While not addressing climate, the proposal in *Home Depot, Inc.* (Mar. 28, 2025), is also indistinguishable from the Proposal here. Each proposal asked the recipient company to issue a report describing “how” it could reach a specific goal. There, the company was asked to issue a report describing how it could match its peers by committing to make all its packaging curbside recyclable, reusable, or compostable. Like Allstate, Home Depot argued that the proposal effectively demanded that it set a “net zero” goal for plastics. There is no way to distinguish the proposals on the basis of micromanagement. The Staff denied the Company’s request in *Home Depot* and should likewise do so here.

Other recent examples denying no-action requests demonstrate that proponents remain able to request company action after SLB 14M:

- Requesting that a board seek shareholder approval of senior managers’ new or renewed pay package that provides for severance or termination payments with an estimated value exceeding 2.99 times the sum of the executive’s base salary plus target short-term bonus. *The Travelers Companies, Inc.* (Mar. 25, 2025); and
- Requesting that a company adopt policies that would result in setting tire wear shedding reduction goals. *Goodyear Tire & Rubber Co.* (Mar. 3, 2025).

For the foregoing reasons, the Company has not met its burden of demonstrating that the Proposal seeks to micromanage it.³

CONCLUSION

Because the Proposal transcends the Company's ordinary business and does not seek to micromanage it, the Company has no valid basis to exclude it from its 2025 proxy statement pursuant to Rule 14a-8. We urge the Staff to deny the no action request.

Sincerely,



Luke Morgan
Staff Attorney, *As You Sow*

CC:

Benjamin Pedersen, Debevoise & Plimpton LLP
Peter Loughran, Debevoise & Plimpton LLP
Julie Cho, The Allstate Corp.
Chris DeBiase, The Allstate Corp.

³ The Company also argues that certain statements in the Proposal are inaccurate, but it does not make an argument under Rule 14a-8(i)(3). The Proponent disagrees that the statements are inaccurate, but these arguments are ultimately irrelevant. Alleged inaccuracy is not a basis for exclusion under (i)(7) generally or the micromanagement rule specifically.