

EXECUTIVE SUMMARY

Throughout its history, American Family Insurance has grown and adapted to meet the changing needs of our customers. While many know us through local agency owners, distinct advertising messages, or perhaps the charitable work we support, American Family has grown and adapted because our customers demanded it.

In 2018, we continued to flex who we are as an organization. Today, we're a data company. A home-inspection software company. And, we're an exceptional multiline, exclusive-agency owner, independent-agency owner, and digital-direct insurance company. While our focus remains on insurance, American Family keeps pace with our customers in other ways, too. We want to be a responsible company that makes an incredible impact where we live, work and serve.

Spark, American Family's newest facility in downtown Madison, Wisconsin, is a bright, shining example of this declaration. More than a building, Spark represents our commitment to corporate responsibility. It stands as an icon of our values to catalyze positive and transformative social and environmental impact.

This is who we are

This building embodies all three aspects of our Corporate Responsibility Program – community, environment and people. Every component was intentional. From flooring to lights, coffee and community spaces, we've integrated sustainability and inclusivity to create a space that serves our greater community. Later in this report, you'll learn more about Spark's remarkable features that complement our work in the community, our dedication to the environment, and our commitment to our people. If you're ever in the Madison area, stop in for a visit!

As American Family flexes even more in the coming years, Spark will be just part of our legacy. So will the investments we've made in technology to better the lives of our customers, and the communities where we live and work. We want to make a similar impact in Milwaukee, partnering locally but also thinking beyond our Midwest roots.

This is who we are becoming

Annual results are important. But I want American Family to be about more than just generating positive financial returns. We must be a good employer, and a terrific place for agency owners to build businesses. Our work should excite consumers and attract the best people. Along the way, we should help solve social, environmental and community problems where we live and work. In 2018, American Family Insurance wrote the latest chapter in our history. But our story continues.

This is who we are ... and we're not done

A handwritten signature in white ink that reads "Jack Schmidt". The signature is fluid and cursive, written in a professional but personal style.

CEO Jack Salzwedel pictured at Spark supporting Brand Ambassador Eunique Jones Gibson and her "Because of Them We Can" campaign, which featured children dressed as famous African-American figures such as Maya Angelou, Muhammed Ali and Frederick Douglas.

JACK SALZWEDEL

Chair and Chief Executive Officer

