


CORPORATE SOCIAL RESPONSIBILITY

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# Securing Our Shared Future



A photograph of an elderly man with white hair, wearing a blue and white plaid shirt, sitting outdoors. A young boy with dark skin and short hair is sitting on his shoulders, hugging him from behind. Both are smiling broadly. The background is a lush garden with green foliage and several round, white and pink paper lanterns hanging from trees. The lighting is warm and golden, suggesting late afternoon or early morning.

*Communities prosper when people and organizations demonstrate resilience in the face of challenges and confidence in achieving the future they envision. At American Financial Group (AFG), we seek to instill that sense of assurance and greater possibilities—not only with our insurance and annuity products, but also by acting as a responsible corporate citizen.*



*In 1959, Carl H. Lindner Jr. founded AFG to help customers secure their futures and protect what matters most to them. Mr. Lindner believed in investing AFG’s resources to make a positive difference beyond our core business. Today, the Lindner family’s legacy of service is ingrained in our company values and realized through our corporate responsibility (CR) and sustainability initiatives.*

Creating long-term value for our investors is our highest business objective, and we’re committed to doing so in a responsible and sustainable manner. For us, this commitment starts with recognizing that many of our business decisions affect people and organizations in the larger community. Our Board of Directors and senior leaders embrace external perspectives as part of making informed decisions to keep our business viable.

We sustain AFG’s business success by effectively managing risk—financial, social, environmental—to help create stability for our customers and deliver value to our shareholders.

***We focus our CR and sustainability strategies in four primary areas where AFG can achieve the most direct and substantial results:***

- *Operating our business with integrity and managing financial risk*
- *Giving back to our communities and promoting social opportunity*
- *Creating a welcoming and rewarding place to work and build a career*
- *Managing environmental risk and operating sustainably*

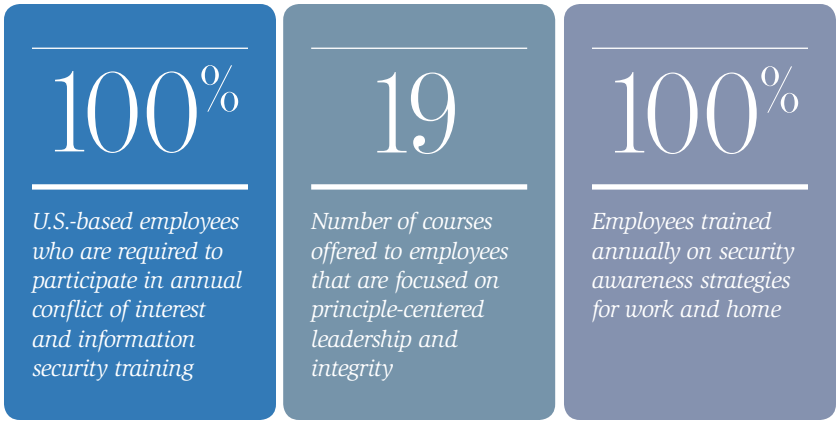
These actions help us run our business more effectively, enhance our products, protect our customers, serve our communities and support our nearly 8,500 employees in over 120 locations worldwide.

# *Operating our business with integrity and managing financial risk*

Integrity and trust aren’t merely desirable in our industry—they’re critical to maintaining the stability and longevity that our customers and other stakeholders expect. We value our reputation as an ethical company and work to ensure that people at all levels of AFG understand their role in upholding it. Our Code of Ethics provides guidance to help our employees avoid potential conflicts and make decisions that are ethical as well as aligned with AFG’s values. All U.S.-based employees participate in an annual Conflict of Interest certification and acknowledgment to ensure they understand and adhere to our Code of Ethics.

***Our financial risk framework***

We maintain a rigorous Enterprise Risk Management process in collaboration with input from senior leaders across operations, finance, accounting, human resources, information technology, legal, compliance, information security and other areas. In addition, our Enterprise Information Security Group works with all employees and business leaders to educate them about the importance of data stewardship and cyber security in protecting our information assets and reducing risks.





# Giving back to our communities and promoting social opportunity

Our founder made philanthropy a cornerstone of AFG's values nearly 60 years ago. We carry on the Lindner family's continuing example by supporting organizations that make a difference in the greater Cincinnati area, where our headquarters are located, and around the country.

## We provide support in 5 primary areas:



**EDUCATION:** The company contributes to a range of educational programs that span kindergarten through college, including outreach to students in low-income or underserved neighborhoods. Company gifts to the University of Cincinnati and its Lindner College of Business have helped to make it a catalyst for innovation and cutting-edge research, and its programs have also earned national acclaim in several academic areas.



**HEALTH:** AFG engages in annual campaigns to promote health and fight disease with non-profit organizations such as the American Heart Association, the Leukemia and Lymphoma Society and the Lindner Center of Hope, a comprehensive, state-of-the-art mental health center providing patient-centered, scientifically advanced care for individuals suffering from mental illness.



**CHILDREN AND YOUTH:** AFG's leadership giving to the United Way helps to fund programming that transforms the quality of life for all people in our region, with a focus on self-sufficiency and lasting change. Our Company is also a major supporter of Big Brothers Big Sisters, which provides mentorship and skill-building programs for children who face academic and social challenges.



**ARTS AND CULTURE:** AFG is a proud sponsor of Cincinnati ArtsWave, which supports more than 100 arts and community organizations in the greater Cincinnati area. The Company also sponsors the historic Cincinnati Ballet, and efforts to bring art and culture to life through programs like the World Choir Games, BLINK Cincinnati and the Over the Rhine International Film Festival.



**DISASTER RESPONSE:** Reflecting our insurance roots, AFG and many of our employees contribute to and volunteer with organizations that provide disaster relief services such as medical care, shelter, food and clothing.



SERVICE ORGANIZATION  
SUPPORT

# 190+

Service organizations  
we supported in 2018  
directly and through our  
gifts to United Way

LEADERS IN MAJOR  
PHILANTHROPIC  
CINCINNATI NONPROFIT  
CORPORATE CAMPAIGNS



EMPLOYEE  
DONATIONS

# 517

Employees who donated to  
and/or participated in the  
2018 Greater Cincinnati  
American Heart Association  
Heart Mini





GREAT CAREER  
OPPORTUNITIES

90%

BE HERE.  
BE GREAT.

*Employees recommend  
AFG as a good place  
to work, based on a  
May 2019 employee  
opinion survey\**



31,738  
HOURS OF  
PROFESSIONAL  
DEVELOPMENT  
TRAINING OUR  
EMPLOYEES  
RECEIVED IN 2018



GREAT CAREER  
OPPORTUNITIES

96%

BE HERE.  
BE GREAT.

*Employees participating  
in our Retirement and  
Savings Program or  
401(k) plan*

## *Creating a welcoming and rewarding place to work and build a career*

Our approximately 8,500 employees are AFG's most important asset. As an employer, our highest goal is for all people in our Company to feel included, respected, empowered and enabled to perform at their best. We help propel their success—and ours—by cultivating specialized knowledge, professional education, leadership development and a service-oriented culture.

When employees feel actively engaged with our mission and strategy, they deliver higher levels of service to our customers and create stronger bottom-line results for our business. We strive to attract a diverse workforce and exceptional people who can grow with our Company by fostering a workplace culture that inspires and rewards and by developing a workforce to meet our Company's goals today and tomorrow.

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***Be Here. Be GREAT.*** is our framework for investing in employees' career growth, health and wellness, and financial prosperity:

**CAREER GROWTH:** We offer trainee programs that encourage people to build careers in insurance and that encourage employees to develop professional skills to positively impact their careers as well as our customers and our business. Tuition reimbursement programs, monetary incentives and a full suite of personal and professional learning opportunities have helped us develop a culture where learning is valued and rewarded. Professional development is one of many reasons why our average employee tenure exceeds industry averages.

**HEALTH AND WELLNESS:** As part of managing our business responsibly and supporting our employees to be at their best—away from work as well as on the job—we provide a competitive benefits package including an extensive wellness program. We offer onsite fitness centers at many of our locations, financial incentives for taking care of one's health, and health management programs to increase employee engagement with their health care providers. We were early adopters of consumer-driven healthcare and support employee empowerment with regard to healthcare.

**FINANCIAL PROSPERITY:** Being a responsible employer and contributing to communities' economic sustainability includes making sure our employees have the ability and access to achieve their financial goals. We maintain competitive and equitable pay by conducting regular market comparisons. We offer an employee stock purchase program, a retirement savings plan with matching employer contributions as well as company-wide profit-sharing programs allowing all employees to share in the Company's success. Plus, our employees have access to professional investment and retirement planning advisors to plan for their financial future.

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\* Employee Opinion Survey conducted by Korn Ferry. Results compare to an average survey score of 80% for 55 top performing organizations representing over 875,000 employees.



## Managing environmental risk and operating sustainably

As an insurance company dedicated to managing risk, we have an inherent interest in helping protect natural resources and address the factors that might contribute to global climate change. We are taking steps to reduce our own impact on the environment as well as create incentives, through AFG's insurance products and services, for our customers to embrace more sustainable practices.

**SUSTAINABLE FACILITIES AND PRACTICES:** *We recognize that our day-to-day business requirements—such as travel, lighting and technology equipment—have an impact on the environment and the Earth's resources. We're working to reduce our electricity and natural gas usage through actions such as constructing or leasing energy-efficient office space—including the first and largest corporate headquarters building in downtown Cincinnati that was designed and built under LEED sustainability guidelines—and upgrading air handlers on our buildings to more efficient technologies. To help reduce the amount of waste that goes to landfill, we designated a division to oversee the recycling of paper and electronics across our locations. We also educate our employees on environmentally friendly practices.*

**SUSTAINABILITY IN OUR PRODUCTS AND SERVICES:** *Managing climate risk is a priority in much of our commercial property and casualty (P&C) insurance underwriting practice. We consider the factors behind climate change and its impact when evaluating new business lines and product offerings. Our P&C businesses seek to reduce their exposure to catastrophes through individual risk selection, including minimizing coastal exposures that could be more directly affected by climate change. Several of our P&C products also include incentives for using environmentally sustainable construction materials to rebuild damaged property. We provide services, training and educational information designed to help customers improve safety, remediate environmentally adverse events, reduce losses and operate more sustainably. Whether it is limiting our exposure to catastrophic risk, helping our insureds manage the risk of weather's uncertainty for their crops, or providing our insureds coverage for cleaning up environmental contamination, our Company places management of environmental risk at the core of several of our key operations.*

To learn more about how we manage these and other risks, please refer to our most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K in the [Investor Relations](#) section of AFG's website, or by clicking [here](#).

25%

AFG office space that is LEED-certified for energy efficiency and other sustainability features

368

Tons of paper and cardboard diverted from landfills and recycled in our Cincinnati operations in 2018

42

Tons of electronic waste diverted from landfills and recycled in 2018





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