# Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

**2017**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

**A** This return/report is for:
- [ ] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- [X] a single-employer plan
- [ ] a DFE (specify) ____

**B** This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [ ] an amended return/report
- [ ] a short plan year return/report (less than 12 months)

**C** If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

**D** Check box if filing under:
- [X] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

## Part II Basic Plan Information—enter all requested information

**1a** Name of plan
THE PRINCIPAL SELECT SAVINGS PLAN FOR EMPLOYEES

**1b** Three-digit plan number (PN) ▶ 003

**1c** Effective date of plan 01/01/1985

**2a** Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
PRINCIPAL FINANCIAL GROUP, INC.

711 HIGH ST
DES MOINES, IA 50392-1200

**2b** Employer Identification Number (EIN) 42-1520346

**2c** Plan Sponsor's telephone number 800-986-3343

**2d** Business code (see instructions) 524140

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

| | | | |
|---|---|---|---|
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 10/11/2018 | TAMMY DEHAAI |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 10/11/2018 | PAUL FROMM |
| | **Signature of employer/plan sponsor** | Date | Enter name of individual signing as employer or plan sponsor |
| **SIGN HERE** | | | |
| | **Signature of DFE** | Date | Enter name of individual signing as DFE |

**3a** Plan administrator's name and address ☐ Same as Plan Sponsor

BENEFIT PLANS ADMINISTRATION COMMITTEE

711 HIGH ST
DES MOINES, IA 50392-1200

**3b** Administrator's EIN: 27-3605376

**3c** Administrator's telephone number: 866-524-6947

**4** If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:
**a** Sponsor's name
**c** Plan Name

**4b** EIN

**4d** PN

| | | |
|---|---|---|
| **5** Total number of participants at the beginning of the plan year | **5** | 13745 |
| **6** Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**). | | |
| **a(1)** Total number of active participants at the beginning of the plan year | **6a(1)** | 9971 |
| **a(2)** Total number of active participants at the end of the plan year | **6a(2)** | 10218 |
| **b** Retired or separated participants receiving benefits | **6b** | 52 |
| **c** Other retired or separated participants entitled to future benefits | **6c** | 3626 |
| **d** Subtotal. Add lines **6a(2)**, **6b**, and **6c** | **6d** | 13896 |
| **e** Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. | **6e** | 74 |
| **f** Total. Add lines **6d** and **6e**. | **6f** | 13970 |
| **g** Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 13718 |
| **h** Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 256 |
| **7** Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | |

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

2E 2F 2G 2J 2K 2O 2R 2S 2T 3F 3H

**b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

**9a** Plan funding arrangement (check all that apply)

| | | |
|---|---|---|
| **(1)** | X | Insurance |
| **(2)** | | Code section 412(e)(3) insurance contracts |
| **(3)** | X | Trust |
| **(4)** | | General assets of the sponsor |

**9b** Plan benefit arrangement (check all that apply)

| | | |
|---|---|---|
| **(1)** | X | Insurance |
| **(2)** | | Code section 412(e)(3) insurance contracts |
| **(3)** | X | Trust |
| **(4)** | | General assets of the sponsor |

**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

**a Pension Schedules**

| | | |
|---|---|---|
| **(1)** | X | **R** (Retirement Plan Information) |
| **(2)** | | **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary |
| **(3)** | | **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary |

**b General Schedules**

| | | | |
|---|---|---|---|
| **(1)** | X | | **H** (Financial Information) |
| **(2)** | | | **I** (Financial Information – Small Plan) |
| **(3)** | X | 2 | **A** (Insurance Information) |
| **(4)** | X | | **C** (Service Provider Information) |
| **(5)** | X | | **D** (DFE/Participating Plan Information) |
| **(6)** | | | **G** (Financial Transaction Schedules) |

## Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

**11a** If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

**11b** Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

**11c** Enter the Receipt Confirmation Code for the 2017 Form M-1 annual report. If the plan was not required to file the 2017 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

# SCHEDULE A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Insurance Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

OMB No. 1210-0110

**2017**

**This Form is Open to Public Inspection**

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

**A** Name of plan
THE PRINCIPAL SELECT SAVINGS PLAN FOR EMPLOYEES

**B** Three-digit plan number (PN) ▶ 003

**C** Plan sponsor's name as shown on line 2a of Form 5500
PRINCIPAL FINANCIAL GROUP, INC.

**D** Employer Identification Number (EIN)
42-1520346

## Part I Information Concerning Insurance Contract Coverage, Fees, and Commissions

Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

**1** Coverage Information:

**(a)** Name of insurance carrier
PRINCIPAL LIFE INSURANCE COMPANY

| **(b)** EIN | **(c)** NAIC code | **(d)** Contract or identification number | **(e)** Approximate number of persons covered at end of policy or contract year | Policy or contract year | |
|---|---|---|---|---|---|
| | | | | **(f)** From | **(g)** To |
| 42-0127290 | 61271 | 366776 | 13970 | 01/01/2017 | 12/31/2017 |

**2** Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

| **(a)** Total amount of commissions paid | **(b)** Total amount of fees paid |
|---|---|
| 0 | 0 |

**3** Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

## Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

| | | | |
|---|---|---|---|
| 4 | Current value of plan's interest under this contract in the general account at year end | 4 | 31335060 |
| 5 | Current value of plan's interest under this contract in separate accounts at year end | 5 | 2331827868 |

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

| | | | |
|---|---|---|---|
| b | Premiums paid to carrier | 6b | |
| c | Premiums due but unpaid at the end of the year | 6c | |
| d | If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. | 6d | |

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity

(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee

(3) ☐ guaranteed investment (4) ☒ other ▶ FLEXIBLE INVESTMENT ANNUITY

| | | | | | |
|---|---|---|---|---|---|
| b | Balance at the end of the previous year | | | 7b | 32448046 |
| c | Additions: (1) Contributions deposited during the year | 7c(1) | 1020280 | | |
| | (2) Dividends and credits | 7c(2) | | | |
| | (3) Interest credited during the year | 7c(3) | 250523 | | |
| | (4) Transferred from separate account | 7c(4) | 3930743 | | |
| | (5) Other (specify below) | 7c(5) | 212181 | | |
| | ▶ LOAN PAYMENT, ROLLOVER, ADJUSTMENT | | | | |
| | (6) Total additions | | | 7c(6) | 5413727 |
| d | Total of balance and additions (add lines **7b** and **7c(6)**). | | | 7d | 37861773 |
| e | Deductions: | | | | |
| | (1) Disbursed from fund to pay benefits or purchase annuities during year | 7e(1) | 2977247 | | |
| | (2) Administration charge made by carrier | 7e(2) | 119842 | | |
| | (3) Transferred to separate account | 7e(3) | 2292106 | | |
| | (4) Other (specify below) | 7e(4) | 236001 | | |
| | ▶ LOAN WITHDRAWAL, CORRECTION, PLAN TRANSFER | | | | |
| | (5) Total deductions | | | 7e(5) | 5625196 |
| f | Balance at the end of the current year (subtract line **7e(5)** from line **7d**) | | | 7f | 32236577 |

## Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

**8** Benefit and contract type (check all applicable boxes)

**a** ☐ Health (other than dental or vision) **b** ☐ Dental **c** ☐ Vision **d** ☐ Life insurance
**e** ☐ Temporary disability (accident and sickness) **f** ☐ Long-term disability **g** ☐ Supplemental unemployment **h** ☐ Prescription drug
**i** ☐ Stop loss (large deductible) **j** ☐ HMO contract **k** ☐ PPO contract **l** ☐ Indemnity contract
**m** ☐ Other (specify) ▶

| | | | | |
|---|---|---|---|---|
| **9** Experience-rated contracts: | | | | |
| **a** Premiums: (1) Amount received | **9a(1)** | | | |
| (2) Increase (decrease) in amount due but unpaid | **9a(2)** | | | |
| (3) Increase (decrease) in unearned premium reserve | **9a(3)** | | | |
| (4) Earned (**(1)** + **(2)** - **(3)**) | | | **9a(4)** | |
| **b** Benefit charges (1) Claims paid | **9b(1)** | | | |
| (2) Increase (decrease) in claim reserves | **9b(2)** | | | |
| (3) Incurred claims (add **(1)** and **(2)**) | | | **9b(3)** | |
| (4) Claims charged | | | **9b(4)** | |
| **c** Remainder of premium: (1) Retention charges (on an accrual basis) -- | | | | |
| (A) Commissions | **9c(1)(A)** | | | |
| (B) Administrative service or other fees | **9c(1)(B)** | | | |
| (C) Other specific acquisition costs | **9c(1)(C)** | | | |
| (D) Other expenses | **9c(1)(D)** | | | |
| (E) Taxes | **9c(1)(E)** | | | |
| (F) Charges for risks or other contingencies | **9c(1)(F)** | | | |
| (G) Other retention charges | **9c(1)(G)** | | | |
| (H) Total retention | | | **9c(1)(H)** | |
| (2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.) | | | **9c(2)** | |
| **d** Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement | | | **9d(1)** | |
| (2) Claim reserves | | | **9d(2)** | |
| (3) Other reserves | | | **9d(3)** | |
| **e** Dividends or retroactive rate refunds due. (Do not include amount entered in line **9c(2)**.) | | | **9e** | |
| **10** Nonexperience-rated contracts: | | | | |
| **a** Total premiums or subscription charges paid to carrier | | | **10a** | |
| **b** If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount. | | | **10b** | |

Specify nature of costs.

## Part IV Provision of Information

**11** Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

**12** If the answer to line 11 is "Yes," specify the information not provided. ▶

# SCHEDULE A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Insurance Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

OMB No. 1210-0110

**2017**

**This Form is Open to Public Inspection**

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

**A** Name of plan
THE PRINCIPAL SELECT SAVINGS PLAN FOR EMPLOYEES

**B** Three-digit plan number (PN) ▶ 003

**C** Plan sponsor's name as shown on line 2a of Form 5500
PRINCIPAL FINANCIAL GROUP, INC.

**D** Employer Identification Number (EIN)
42-1520346

**Part I** **Information Concerning Insurance Contract Coverage, Fees, and Commissions** Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

**1** Coverage Information:

**(a)** Name of insurance carrier
PRINCIPAL LIFE INSURANCE COMPANY

| **(b)** EIN | **(c)** NAIC code | **(d)** Contract or identification number | **(e)** Approximate number of persons covered at end of policy or contract year | Policy or contract year | |
|---|---|---|---|---|---|
| | | | | **(f)** From | **(g)** To |
| 42-0127290 | 61271 | 411365 | 46 | 01/01/2017 | 12/31/2017 |

**2** Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

| **(a)** Total amount of commissions paid | **(b)** Total amount of fees paid |
|---|---|
| 0 | 0 |

**3** Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

## Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

| | | | |
|---|---|---|---|
| 4 | Current value of plan's interest under this contract in the general account at year end | 4 | 2509 |
| 5 | Current value of plan's interest under this contract in separate accounts at year end | 5 | 2118659 |

**6** Contracts With Allocated Funds:

**a** State the basis of premium rates ▶

| | | | |
|---|---|---|---|
| **b** | Premiums paid to carrier | 6b | |
| **c** | Premiums due but unpaid at the end of the year | 6c | |
| **d** | If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. | 6d | |

Specify nature of costs ▶

**e** Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity

(3) ☐ other (specify) ▶

**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐

**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

**a** Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee

(3) ☐ guaranteed investment (4) ☒ other ▶ FLEXIBLE INVESTMENT ANNUITY

| | | | | | |
|---|---|---|---|---|---|
| **b** | Balance at the end of the previous year | | | 7b | 2602 |
| **c** | Additions: (1) Contributions deposited during the year | 7c(1) | | | |
| | (2) Dividends and credits | 7c(2) | | | |
| | (3) Interest credited during the year | 7c(3) | 9 | | |
| | (4) Transferred from separate account | 7c(4) | | | |
| | (5) Other (specify below) | 7c(5) | | | |
| | ▶ | | | | |
| | (6) Total additions | | | 7c(6) | 9 |
| **d** | Total of balance and additions (add lines **7b** and **7c(6)**). | | | 7d | 2611 |
| **e** | Deductions: | | | | |
| | (1) Disbursed from fund to pay benefits or purchase annuities during year | 7e(1) | 100 | | |
| | (2) Administration charge made by carrier | 7e(2) | 2 | | |
| | (3) Transferred to separate account | 7e(3) | | | |
| | (4) Other (specify below) | 7e(4) | | | |
| | ▶ | | | | |
| | (5) Total deductions | | | 7e(5) | 102 |
| **f** | Balance at the end of the current year (subtract line **7e(5)** from line **7d**) | | | 7f | 2509 |

## Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

**8** Benefit and contract type (check all applicable boxes)

**a** ☐ Health (other than dental or vision) **b** ☐ Dental **c** ☐ Vision **d** ☐ Life insurance
**e** ☐ Temporary disability (accident and sickness) **f** ☐ Long-term disability **g** ☐ Supplemental unemployment **h** ☐ Prescription drug
**i** ☐ Stop loss (large deductible) **j** ☐ HMO contract **k** ☐ PPO contract **l** ☐ Indemnity contract
**m** ☐ Other (specify) ▶

| | | | | |
|---|---|---|---|---|
| **9** Experience-rated contracts: | | | | |
| **a** Premiums: (1) Amount received | **9a(1)** | | | |
| (2) Increase (decrease) in amount due but unpaid | **9a(2)** | | | |
| (3) Increase (decrease) in unearned premium reserve | **9a(3)** | | | |
| (4) Earned (**(1)** + **(2)** - **(3)**) | | | **9a(4)** | |
| **b** Benefit charges (1) Claims paid | **9b(1)** | | | |
| (2) Increase (decrease) in claim reserves | **9b(2)** | | | |
| (3) Incurred claims (add **(1)** and **(2)**) | | | **9b(3)** | |
| (4) Claims charged | | | **9b(4)** | |
| **c** Remainder of premium: (1) Retention charges (on an accrual basis) -- | | | | |
| (A) Commissions | **9c(1)(A)** | | | |
| (B) Administrative service or other fees | **9c(1)(B)** | | | |
| (C) Other specific acquisition costs | **9c(1)(C)** | | | |
| (D) Other expenses | **9c(1)(D)** | | | |
| (E) Taxes | **9c(1)(E)** | | | |
| (F) Charges for risks or other contingencies | **9c(1)(F)** | | | |
| (G) Other retention charges | **9c(1)(G)** | | | |
| (H) Total retention | | | **9c(1)(H)** | |
| (2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.) | | | **9c(2)** | |
| **d** Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement | | | **9d(1)** | |
| (2) Claim reserves | | | **9d(2)** | |
| (3) Other reserves | | | **9d(3)** | |
| **e** Dividends or retroactive rate refunds due. (Do not include amount entered in line **9c(2)**.) | | | **9e** | |
| **10** Nonexperience-rated contracts: | | | | |
| **a** Total premiums or subscription charges paid to carrier | | | **10a** | |
| **b** If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount. | | | **10b** | |

Specify nature of costs.

## Part IV Provision of Information

**11** Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

**12** If the answer to line 11 is "Yes," specify the information not provided. ▶

| SCHEDULE C (Form 5500) | Service Provider Information | OMB No. 1210-0110 |
|---|---|---|
| Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br>▶ **File as an attachment to Form 5500.** | **2017**<br>**This Form is Open to Public Inspection.** |

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

**A** Name of plan
THE PRINCIPAL SELECT SAVINGS PLAN FOR EMPLOYEES

**B** Three-digit plan number (PN) ▶ 003

**C** Plan sponsor's name as shown on line 2a of Form 5500
PRINCIPAL FINANCIAL GROUP, INC.

**D** Employer Identification Number (EIN)
42-1520346

## Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

### 1 Information on Persons Receiving Only Eligible Indirect Compensation

**a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

**b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

PRINCIPAL LIFE INSURANCE COMPANY

42-0127290

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

PRINCIPAL LIFE INSURANCE COMPANY

42-0127290

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 13 50 64 37 | CONTRACT ADMINISTRATOR | 2021137 | Yes [X] No [ ] | Yes [X] No [ ] | 291 | Yes [ ] No [X] |

**(a)** Enter name and EIN or address (see instructions)

MORNINGSTAR INVESTMENT MGMT LLC

36-2923857

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 26 70 | INVESTMENT ADVISORY | 0 | Yes [X] No [ ] | Yes [ ] No [X] | 0 | Yes [X] No [ ] |

**(a)** Enter name and EIN or address (see instructions)

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes [ ] No [ ] | Yes [ ] No [ ] | | Yes [ ] No [ ] |

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

| **(b)** Service Code(s) | **(c)** Relationship to employer, employee organization, or person known to be a party-in-interest | **(d)** Enter direct compensation paid by the plan. If none, enter -0-. | **(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | **(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | **(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | **(h)** Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes ☐ No ☐ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

| **(b)** Service Code(s) | **(c)** Relationship to employer, employee organization, or person known to be a party-in-interest | **(d)** Enter direct compensation paid by the plan. If none, enter -0-. | **(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | **(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | **(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | **(h)** Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes ☐ No ☐ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

| **(b)** Service Code(s) | **(c)** Relationship to employer, employee organization, or person known to be a party-in-interest | **(d)** Enter direct compensation paid by the plan. If none, enter -0-. | **(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | **(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | **(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | **(h)** Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes ☐ No ☐ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

## Part I Service Provider Information (continued)

**3.** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| MORNINGSTAR INVESTMENT MGMT LLC | 26 70 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| PRINCIPAL LIFE INSURANCE COMPANY<br><br>42-0127290 | 8 BASIS POINTS ON ASSETS MANAGED BY MORNINGSTAR |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| | |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| | |

## Part II Service Providers Who Fail or Refuse to Provide Information

**4** Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

## Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

| | |
|---|---|
| **a** Name: | **b** EIN: |
| **c** Position: | |
| **d** Address: | **e** Telephone: |

Explanation:

| | |
|---|---|
| **a** Name: | **b** EIN: |
| **c** Position: | |
| **d** Address: | **e** Telephone: |

Explanation:

| | |
|---|---|
| **a** Name: | **b** EIN: |
| **c** Position: | |
| **d** Address: | **e** Telephone: |

Explanation:

| | |
|---|---|
| **a** Name: | **b** EIN: |
| **c** Position: | |
| **d** Address: | **e** Telephone: |

Explanation:

| | |
|---|---|
| **a** Name: | **b** EIN: |
| **c** Position: | |
| **d** Address: | **e** Telephone: |

Explanation:

# SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

## DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2017**

**This Form is Open to Public Inspection.**

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

**A** Name of plan
THE PRINCIPAL SELECT SAVINGS PLAN FOR EMPLOYEES

**B** Three-digit plan number (PN) ▶ 003

**C** Plan or DFE sponsor's name as shown on line 2a of Form 5500
PRINCIPAL FINANCIAL GROUP, INC.

**D** Employer Identification Number (EIN)
42-1520346

## Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)

(Complete as many entries as needed to report all interests in DFEs)

**a** Name of MTIA, CCT, PSA, or 103-12 IE: PRIN MIDCAP SEP ACCT-Z

**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 42-0127290-020 | P | 212700801 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: PRIN GOVT & HQ BOND SA-Z

**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 42-0127290-007 | P | 31928375 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: PRIN INTL EMERG MARKETS SA-Z

**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 42-0127290-013 | P | 120478731 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LGCAP VALUE SEP ACCT-Z

**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 42-0127290-019 | P | 38823861 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LGCAP GROWTH SEP ACCT-Z

**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 42-0127290-018 | P | 88735731 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: PRINCIPAL U.S. PROPERTY SA-Z

**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 42-0127290-027 | P | 231787315 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: PRIN CORE PLUS BOND SEP ACCT-Z

**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 42-0127290-005 | P | 107082568 |

| | | | |
|---|---|---|---|
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | PRIN DIVERSIFIED INTL SA-Z | | |
| **b** Name of sponsor of entity listed in (a): | PRINCIPAL LIFE INSURANCE COMPANY | | |
| **c** EIN-PN 42-0127290-015 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 168281789 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | PRIN LGCP S&P 500 INDEX SA-Z | | |
| **b** Name of sponsor of entity listed in (a): | PRINCIPAL LIFE INSURANCE COMPANY | | |
| **c** EIN-PN 42-0127290-016 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 321459232 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | PRIN SMCAP S&P 600 INDEX SA-Z | | |
| **b** Name of sponsor of entity listed in (a): | PRINCIPAL LIFE INSURANCE COMPANY | | |
| **c** EIN-PN 42-0127290-028 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 169617980 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | PRIN SMCAP GROWTH I SEP ACCT-Z | | |
| **b** Name of sponsor of entity listed in (a): | PRINCIPAL LIFE INSURANCE COMPANY | | |
| **c** EIN-PN 42-0127290-070 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 68487765 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | PRIN LARGECAP GROWTH I SA-Z | | |
| **b** Name of sponsor of entity listed in (a): | PRINCIPAL LIFE INSURANCE COMPANY | | |
| **c** EIN-PN 42-0127290-066 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 59085614 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | PRIN LIFETM 2010 SEP ACCT-Z | | |
| **b** Name of sponsor of entity listed in (a): | PRINCIPAL LIFE INSURANCE COMPANY | | |
| **c** EIN-PN 42-0127290-075 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 11021057 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | PRIN LIFETIME 2020 SEP ACCT-Z | | |
| **b** Name of sponsor of entity listed in (a): | PRINCIPAL LIFE INSURANCE COMPANY | | |
| **c** EIN-PN 42-0127290-076 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 84568320 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | PRINL LIFETIME 2030 SEP ACCT-Z | | |
| **b** Name of sponsor of entity listed in (a): | PRINCIPAL LIFE INSURANCE COMPANY | | |
| **c** EIN-PN 42-0127290-077 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 168918268 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | PRIN LIFETIME 2040 SEP ACCT-Z | | |
| **b** Name of sponsor of entity listed in (a): | PRINCIPAL LIFE INSURANCE COMPANY | | |
| **c** EIN-PN 42-0127290-078 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 134718116 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | PRIN LIFETIME 2050 SEP ACCT-Z | | |
| **b** Name of sponsor of entity listed in (a): | PRINCIPAL LIFE INSURANCE COMPANY | | |
| **c** EIN-PN 42-0127290-079 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 91031409 |

| | | | |
|---|---|---|---|
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME STRAT INC SA-Z | | | |
| **b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY | | | |
| **c** EIN-PN 42-0127290-080 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 18897977 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SMCAP VALUE II SEP ACCT-Z | | | |
| **b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY | | | |
| **c** EIN-PN 42-0127290-096 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 29015147 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: PRIN INFLATION PROTECT SA-Z | | | |
| **b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY | | | |
| **c** EIN-PN 42-0127290-099 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 19850635 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2015 SEP ACCT-Z | | | |
| **b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY | | | |
| **c** EIN-PN 42-0127290-110 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 2088597 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2025 SEP ACCT-Z | | | |
| **b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY | | | |
| **c** EIN-PN 42-0127290-111 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 16259869 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2035 SEP ACT-Z | | | |
| **b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY | | | |
| **c** EIN-PN 42-0127290-112 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 12735697 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2045 SEP ACCT-Z | | | |
| **b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY | | | |
| **c** EIN-PN 42-0127290-113 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 10615324 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2055 SEP ACCT-Z | | | |
| **b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY | | | |
| **c** EIN-PN 42-0127290-114 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 9720058 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: PRIN EQUITY INCOME SA-Z | | | |
| **b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY | | | |
| **c** EIN-PN 42-0127290-120 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 86312033 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: PRINCIPAL DIV REAL ASSET SA-Z | | | |
| **b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY | | | |
| **c** EIN-PN 42-0127290-123 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 3996041 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: PRINCIPAL SELECT STABLE SA

**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

| **c** EIN-PN 42-0127290-131 | **d** Entity code M | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 107536991 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2060 SEP ACCT-Z

**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

| **c** EIN-PN 42-0127290-130 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 9901402 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: PRIN BLUE CHIP SA-Z

**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

| **c** EIN-PN 42-0127290-133 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 5826813 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

## Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

# SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2017**

**This Form is Open to Public Inspection**

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

**A** Name of plan
THE PRINCIPAL SELECT SAVINGS PLAN FOR EMPLOYEES

**B** Three-digit plan number (PN) ▶ 003

**C** Plan sponsor's name as shown on line 2a of Form 5500
PRINCIPAL FINANCIAL GROUP, INC.

**D** Employer Identification Number (EIN)
42-1520346

## Part I Asset and Liability Statement

**1** Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

| Assets | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **a** Total noninterest-bearing cash | 1a | 0 | 0 |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | 0 | 1635364 |
| **(2)** Participant contributions | 1b(2) | 236 | 1000 |
| **(3)** Other | 1b(3) | 580 | 5127 |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | | |
| **(2)** U.S. Government securities | 1c(2) | | |
| **(3)** Corporate debt instruments (other than employer securities): | | | |
| **(A)** Preferred | 1c(3)(A) | | |
| **(B)** All other | 1c(3)(B) | | |
| **(4)** Corporate stocks (other than employer securities): | | | |
| **(A)** Preferred | 1c(4)(A) | | |
| **(B)** Common | 1c(4)(B) | | |
| **(5)** Partnership/joint venture interests | 1c(5) | | |
| **(6)** Real estate (other than employer real property) | 1c(6) | | |
| **(7)** Loans (other than to participants) | 1c(7) | | |
| **(8)** Participant loans | 1c(8) | 22493123 | 23291331 |
| **(9)** Value of interest in common/collective trusts | 1c(9) | 0 | 0 |
| **(10)** Value of interest in pooled separate accounts | 1c(10) | 1907550374 | 2333946527 |
| **(11)** Value of interest in master trust investment accounts | 1c(11) | 100779307 | 107536991 |
| **(12)** Value of interest in 103-12 investment entities | 1c(12) | | |
| **(13)** Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | | |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | 31850344 | 31337569 |
| **(15)** Other | 1c(15) | 807420 | 1418480 |

| | | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|---|
| **1d** | Employer-related investments: | | | |
| | **(1)** Employer securities | 1d(1) | 117318296 | 127078394 |
| | **(2)** Employer real property | 1d(2) | | |
| **e** | Buildings and other property used in plan operation | 1e | | |
| **f** | Total assets (add all amounts in lines 1a through 1e) | 1f | 2180799680 | 2626250783 |
| | **Liabilities** | | | |
| **g** | Benefit claims payable | 1g | 0 | |
| **h** | Operating payables | 1h | 0 | |
| **i** | Acquisition indebtedness | 1i | 0 | |
| **j** | Other liabilities | 1j | 0 | |
| **k** | Total liabilities (add all amounts in lines 1g through1j) | 1k | 0 | 0 |
| | **Net Assets** | | | |
| **l** | Net assets (subtract line 1k from line 1f) | 1l | 2180799680 | 2626250783 |

## Part II Income and Expense Statement

**2** Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

| | Income | | (a) Amount | (b) Total |
|---|---|---|---|---|
| **a** | **Contributions:** | | | |
| | **(1)** Received or receivable in cash from: **(A)** Employers | 2a(1)(A) | 47506670 | |
| | **(B)** Participants | 2a(1)(B) | 81908988 | |
| | **(C)** Others (including rollovers) | 2a(1)(C) | 14514676 | |
| | **(2)** Noncash contributions | 2a(2) | | |
| | **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 143930334 |
| **b** | **Earnings on investments:** | | | |
| | **(1)** Interest: | | | |
| | **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | 0 | |
| | **(B)** U.S. Government securities | 2b(1)(B) | 0 | |
| | **(C)** Corporate debt instruments | 2b(1)(C) | 0 | |
| | **(D)** Loans (other than to participants) | 2b(1)(D) | 0 | |
| | **(E)** Participant loans | 2b(1)(E) | 1233198 | |
| | **(F)** Other | 2b(1)(F) | 250532 | |
| | **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 1483730 |
| | **(2)** Dividends: **(A)** Preferred stock | 2b(2)(A) | 0 | |
| | **(B)** Common stock | 2b(2)(B) | 3518766 | |
| | **(C)** Registered investment company shares (e.g. mutual funds) | 2b(2)(C) | 0 | |
| | **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 3518766 |
| | **(3)** Rents | 2b(3) | | 0 |
| | **(4)** Net gain (loss) on sale of assets: **(A)** Aggregate proceeds | 2b(4)(A) | 41433740 | |
| | **(B)** Aggregate carrying amount (see instructions) | 2b(4)(B) | 37205462 | |
| | **(C)** Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result | 2b(4)(C) | | 4228278 |
| | **(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate | 2b(5)(A) | 0 | |
| | **(B)** Other | 2b(5)(B) | 20224099 | |
| | **(C)** Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)** | 2b(5)(C) | | 20224099 |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| (6) Net investment gain (loss) from common/collective trusts | 2b(6) | | 0 |
| (7) Net investment gain (loss) from pooled separate accounts | 2b(7) | | 382092762 |
| (8) Net investment gain (loss) from master trust investment accounts | 2b(8) | | 1287632 |
| (9) Net investment gain (loss) from 103-12 investment entities | 2b(9) | | 0 |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) | 2b(10) | | 0 |
| c Other income | 2c | | 13526 |
| d Total income. Add all **income** amounts in column (b) and enter total | 2d | | 556779127 |
| **Expenses** | | | |
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 106709172 | |
| (2) To insurance carriers for the provision of benefits | 2e(2) | 0 | |
| (3) Other | 2e(3) | 1184 | |
| (4) Total benefit payments. Add lines **2e(1)** through **(3)** | 2e(4) | | 106710356 |
| f Corrective distributions (see instructions) | 2f | | 6225 |
| g Certain deemed distributions of participant loans (see instructions) | 2g | | 13173 |
| h Interest expense | 2h | | |
| i Administrative expenses: (1) Professional fees | 2i(1) | 0 | |
| (2) Contract administrator fees | 2i(2) | 2021553 | |
| (3) Investment advisory and management fees | 2i(3) | 0 | |
| (4) Other | 2i(4) | 0 | |
| (5) Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | 2021553 |
| j Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 108751307 |
| **Net Income and Reconciliation** | | | |
| k Net income (loss). Subtract line **2j** from line **2d** | 2k | | 448027820 |
| l Transfers of assets: | | | |
| (1) To this plan | 2l(1) | | 96505 |
| (2) From this plan | 2l(2) | | 2673222 |

## Part III Accountant's Opinion

**3** Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

**a** The attached opinion of an independent qualified public accountant for this plan is (see instructions):

**(1)** [X] Unqualified **(2)** [ ] Qualified **(3)** [ ] Disclaimer **(4)** [ ] Adverse

**b** Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [ ] Yes [X] No

**c** Enter the name and EIN of the accountant (or accounting firm) below:

**(1)** Name: ERNST & YOUNG, LLC **(2)** EIN: 34-6565596

**d** The opinion of an independent qualified public accountant is **not attached** because:

**(1)** [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

## Part IV Compliance Questions

**4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

| | | Yes | No | Amount |
|---|---|---|---|---|
| **a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) | 4a | | X | 0 |
| **b** Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) | 4b | | X | 0 |

| | | | Yes | No | Amount |
|---|---|---|---|---|---|
| c | Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) | 4c | | X | 0 |
| d | Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) | 4d | | X | 0 |
| e | Was this plan covered by a fidelity bond? | 4e | X | | 50000000 |
| f | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | 4f | | X | |
| g | Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4g | | X | |
| h | Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4h | | X | |
| i | Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) | 4i | X | | |
| j | Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) | 4j | | X | |
| k | Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | 4k | | X | |
| l | Has the plan failed to provide any benefit when due under the plan? | 4l | | X | |
| m | If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | 4m | | X | |
| n | If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. | 4n | | | |

**5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

**5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

| **5b(1)** Name of plan(s) | **5b(2)** EIN(s) | **5b(3)** PN(s) |
|---|---|---|
| THE PRINCIPAL SELECT SAVINGS PLAN FOR INDIVIDUAL FIELD | 42-1520346 | 004 |
| | | |
| | | |
| | | |

**5c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ..... ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year_____. (See instructions.)

# SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2017**

**This Form is Open to Public Inspection.**

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

**A** Name of plan
THE PRINCIPAL SELECT SAVINGS PLAN FOR EMPLOYEES

**B** Three-digit plan number (PN) ▶ 003

**C** Plan sponsor's name as shown on line 2a of Form 5500
PRINCIPAL FINANCIAL GROUP, INC.

**D** Employer Identification Number (EIN)
42-1520346

## Part I Distributions

**All references to distributions relate only to payments of benefits during the plan year.**

**1** Total value of distributions paid in property other than in cash or the forms of property specified in the instructions ..... **1** 0

**2** Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 42-0127290

**Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.**

**3** Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year ..... **3**

## Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)

**4** Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

**If the plan is a defined benefit plan, go to line 8.**

**5** If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

**If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.**

**6** **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) ..... **6a**

**b** Enter the amount contributed by the employer to the plan for this plan year ..... **6b**

**c** Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) ..... **6c**

**If you completed line 6c, skip lines 8 and 9.**

**7** Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

**8** If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

## Part III Amendments

**9** If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

## Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

**10** Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☒ **No**

**11** **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☒ **No**

**b** If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☒ **No**

**12** Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☒ **No**

## Part V Additional Information for Multiemployer Defined Benefit Pension Plans

**13** Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

**14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

| | | |
|---|---|---|
| **a** The current year | **14a** | |
| **b** The plan year immediately preceding the current plan year | **14b** | |
| **c** The second preceding plan year | **14c** | |

**15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

| | | |
|---|---|---|
| **a** The corresponding number for the plan year immediately preceding the current plan year | **15a** | |
| **b** The corresponding number for the second preceding plan year | **15b** | |

**16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

| | | |
|---|---|---|
| **a** Enter the number of employers who withdrew during the preceding plan year | **16a** | |
| **b** If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers | **16b** | |

**17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

## Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

**18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

**19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

**a** Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

**b** Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

**c** What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

# FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE

The Principal Select Savings Plan for Employees
December 31, 2017 and 2016, and for the Year Ended December 31, 2017
With Report of Independent Registered Public Accounting Firm

Classification: Internal Use

The Principal Select Savings Plan for Employees

Financial Statements and Supplemental Schedule

December 31, 2017 and 2016 and for the Year Ended December 31, 2017

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Classification: Internal Use

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# Report of Independent Auditors

To the Plan participants and the Benefit Plans Administration Committee
Principal Financial Group, Inc.

We have audited the accompanying financial statements of The Principal Select Savings Plan for Employees, which comprise the statements of net assets available for benefits as of December 31, 2017 and 2016, and the related statement of changes in net assets available for benefits for the year ended December 31, 2017, and the related notes to the financial statements.

## Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of The Principal Select Savings Plan for Employees at December 31, 2017 and 2016, and the changes in its net assets available for benefits for the year ended December 31, 2017, in conformity with U.S. generally accepted accounting principles.

## Supplemental Schedule

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2017 is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Ernst & Young LLP

Des Moines, Iowa

June 27, 2018

# The Principal Select Savings Plan for Employees

## Statements of Net Assets Available for Benefits

| | December 31, | |
|---|---|---|
| | **2017** | **2016** |
| **Assets** | | |
| Investments at fair value: | | |
| Unallocated investment options: | | |
| Deferred income annuity | **$ 1,103,026** | $ — |
| Guaranteed interest accounts | **30,234,543** | 31,850,344 |
| Separate accounts | **2,333,946,527** | 1,907,550,374 |
| Principal Financial Group, Inc. Employee Stock Ownership Plan | **127,078,394** | 117,318,296 |
| Self-directed brokerage account | **1,418,480** | 807,420 |
| Total invested assets at fair value | **2,493,780,970** | 2,057,526,434 |
| Plan interest in Master Trust Investment Account at contract value | **108,680,455** | 101,571,136 |
| Total investments | **2,602,461,425** | 2,159,097,570 |
| Receivables: | | |
| Contributions receivable from employer | **1,635,364** | — |
| Contributions receivable from participants | **1,000** | 236 |
| Notes receivable from participants | **23,291,331** | 22,493,123 |
| Other receivables | **5,127** | 580 |
| Total receivables | **24,932,822** | 22,493,939 |
| Net assets available for benefits | **$ 2,627,394,247** | $ 2,181,591,509 |

*See accompanying notes.*



Classification: Internal Use

The Principal Select Savings Plan for Employees

Statement of Changes in Net Assets Available for Benefits

| | For the year ended December 31, 2017 |
|---|---|
| **Additions** | |
| Investment income: | |
| Interest | **$ 250,532** |
| Dividends | **3,535,371** |
| Net appreciation of investments | **406,542,059** |
| Interest in Master Trust Investment Account | **1,639,268** |
| Total investment income | **411,967,230** |
| Interest income on notes receivable from participants | **1,233,198** |
| Contributions: | |
| Employer | **47,506,670** |
| Participants | **96,423,664** |
| Total contributions | **143,930,334** |
| Total additions | **557,130,762** |
| **Deductions** | |
| Benefits paid to participants | **106,729,754** |
| Transfers to affiliated plans, net | **2,576,717** |
| Administrative expenses | **2,021,553** |
| Total deductions | **111,328,024** |
| Net increase | **445,802,738** |
| Net assets available for benefits at beginning of year | **2,181,591,509** |
| Net assets available for benefits at end of year | **$ 2,627,394,247** |

*See accompanying notes.*



Classification: Internal Use

# The Principal Select Savings Plan for Employees

## Notes to Financial Statements

December 31, 2017

### 1. Significant Accounting Policies

#### Basis of Accounting

The accounting records of The Principal Select Savings Plan for Employees (the Plan) are maintained on the accrual basis of accounting.

#### Valuation of Investments and Income Recognition

Investments held by the Plan are stated at fair value, which is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date (an exit price). See Note 4 for further discussion and disclosures related to fair value measurements.

Interest income is recorded as earned. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

#### Notes Receivable From Participants

The notes receivable from participants are reported at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when earned.

#### Payment of Benefits

Benefits are recorded when paid.

#### Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market volatility, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Statements of Net Assets Available for Benefits.

#### Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires management to make estimates that affect the amounts reported in the financial statements and accompanying notes and supplemental schedule. Actual results could differ from those estimates.



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**Recent Accounting Pronouncement**

In February 2017, the Financial Accounting Standards Board issued authoritative guidance that requires additional disclosures from master trusts. This guidance is effective for annual periods beginning after December 15, 2018, and will not have a material impact on the Plan's financial statements.

## 2. Description of the Plan

The Plan is a defined contribution 401(k) plan that was established January 1, 1985. The Plan is available to substantially all employees of Principal Life Insurance Company (Principal Life) and its subsidiaries or affiliates (the Company). The Plan Sponsor is Principal Financial Group, Inc. (PFG), the ultimate parent of Principal Life.

Information about the Plan, including eligibility, and benefit provisions is contained in the Summary Plan Description. Copies of the Summary Plan Description are available from Principal Life's Human Resources Benefits Department or the Company's intranet. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

The Plan Administrator is responsible for the control and administration of the Plan. The Plan Administrator is the Benefit Plans Administration Committee (BPAC). For the purposes of investment and protection of Plan assets, the named fiduciary of the Plan is the Benefit Plans Investment Committee. The Plan is funded through a trust fund that holds group annuity contracts issued by Principal Life. The PFG Employee Stock Ownership Plan (ESOP), which consists of common stock of PFG, is held in a separate trust. The Trustees of the Trust that hold the group annuity contracts are employees of Principal Life. Bankers Life is the Trustee of the Trust that holds PFG common stock in the ESOP. Delaware Charter Guarantee & Trust Company (DCG), doing business as Principal Trust Company, an affiliate of PFG, is the Directed Trustee of the self-directed brokerage account (SDBA). Principal Life is the recordkeeper of the Plan.

**Contributions**

On January 1, 2006, the Company made several changes to the retirement program. Participants who were age 47 or older with at least ten years of service on December 31, 2005, could elect to retain the prior benefit provisions under the qualified defined benefit retirement plan and the Plan and forgo receipt of the additional benefits offered by amendments to the Plan. The participants who elected to retain the prior benefit provisions are referred to as "Grandfathered Choice Participants."

Matching contributions for participants other than Grandfathered Choice Participants were increased from 50% to 75% of deferrals, with the maximum matching deferral increasing from 6% to 8% of eligible pay-period compensation.



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**Participant Accounts**

Each participant's account is credited with the participant's contributions and the Company's matching contributions. The participant's account also receives an allocation of plan earnings and administrative expenses. Plan earnings are allocated based on the participant's share of net earnings or losses of their respective elected investment options. Allocations of administrative expenses are based on the participant's account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

**Vesting**

Participants are eligible for immediate entry into the Plan with vesting at 100% after three years. The funds accumulate along with interest and investment return and are available for withdrawal by participants at retirement, termination, or when certain withdrawal specifications are met. The participants may also obtain loans of their vested accrued benefit, subject to certain limitations described in the governing document (the Plan Document). The federal and state income taxes of the participant are deferred (except in the case of Roth deferrals) on the contributions until the funds are withdrawn from the Plan.

**Forfeitures**

Upon termination of employment, participants forfeit their non-vested balances. Forfeited amounts are used to reduce Company contributions. As of December 31, 2017 and 2016, forfeited non-vested account balances totaled $14,760 and $17,789, respectively. In 2017 and 2016, employer contributions were reduced by $852,609 and $1,077,789, respectively, from forfeited non-vested accounts.

**Participant Loans**

The Plan provides for loans to active participants, which are considered a participant-directed investment of his/her account. The loan is a Plan asset, but only the borrowing participant's account shares in the interest paid on the loan or bears any expense or loss incurred because of the loan. The rate of interest is 2% higher than the Federal Reserve "Bank Prime Loan" rate at the time of the loan. The rate is set the day a loan is approved.



Classification: Internal Use

The loan rates were as follows:

| Participant Loan Dates | Rates |
|---|---|
| January 1, 2013 to December 16, 2015 | **5.25%** |
| December 17, 2015 to December 14, 2016 | **5.50%** |
| December 15, 2016 to March 21, 2017 | **5.75%** |
| March 22, 2017 to June 20, 2017 | **6.00%** |
| June 21, 2017 to December 19, 2017 | **6.25%** |
| December 20, 2017 to December 31, 2017 | **6.50%** |

**Plan Termination**

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event the Plan terminates, affected participants will become fully vested in their accounts.

**3. Income Tax Status**

The Plan has received a determination letter from the Internal Revenue Service (the IRS) dated October 12, 2017, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the Code) and, therefore, the related trust is exempt from taxation. Subsequent to this determination by the IRS, the Plan was amended and restated. The Plan is required to operate in conformity with the terms of the Plan Document and the Code to maintain its qualification. BPAC and the Company intend to operate the Plan in conformity with the provisions of the Plan Document and the Code.

Plan management is required to evaluate uncertain tax positions taken by the Plan. The financial statement effects of an uncertain tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. BPAC relies on the representations of the corporate tax department regarding the tax positions taken by the Plan and has concluded that as of December 31, 2017, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions.

The Plan is subject to routine audits by taxing jurisdictions. Plan management believes the Plan is no longer subject to income tax examinations for years prior to 2014.

**4. Fair Value of Financial Instruments (excluding interest in Master Trust Investment Account)**

**Valuation Hierarchy**

Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date (an exit price). The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three levels.



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- Level 1 – Fair values are based on unadjusted quoted prices in active markets for identical assets. Our Level 1 assets include the Principal Financial Group, Inc. ESOP and the self-directed brokerage account.

- Level 2 – Fair values are based on inputs other than quoted prices within Level 1 that are observable for the asset, either directly or indirectly. Our Level 2 assets include separate accounts and are reflected at the net asset value (NAV).

- Level 3 – Fair values are based on significant unobservable inputs for the asset. Our Level 3 assets include the deferred income annuity and guaranteed interest accounts.

Transfers between fair value hierarchy levels are recognized at the beginning of the reporting period. There were no transfers between levels during 2017 and 2016.

**Determination of Fair Value**

The following discussion describes the valuation methodologies used for assets measured at fair value on a recurring basis. The techniques utilized in estimating the fair values of financial instruments are reliant on the assumptions used. Care should be exercised in deriving conclusions based on the fair value information of financial instruments presented below.

Fair value estimates are made at a specific point in time, based on available market information and judgments about the financial instrument. Such estimates do not consider the tax impact of the realization of unrealized gains or losses. In addition, the disclosed fair value may not be realized in the immediate settlement of the financial instrument. There were no significant changes to the valuation processes during 2017.

The unallocated investment options consist of a deferred income annuity, guaranteed interest accounts under a guaranteed benefit policy (as defined in section 401(b) of ERISA), and separate accounts (as defined in ERISA section 3(17)) of Principal Life. The deferred income annuity and guaranteed interest accounts are reported at fair value while the separate accounts are reported at NAV as determined by Principal Life. These unallocated investment options are non-benefit-responsive.

*Deferred Income Annuity*

The deferred income annuity cannot be sold to a third party; thus, the only option to exit the deferred income annuity is to withdraw or transfer the funds. The fair value for each deferred income annuity surrendered within 90 days from the date of the purchase is the purchase amount of the surrendered portion. The fair value for each deferred income annuity surrendered more than 90 days after the date of the purchase is the lesser of the guaranteed income balance or the commuted value associated with the surrendered portion of the deferred income annuity. The fair value will never be greater than and may be less than the guaranteed income balance associated with the surrendered portion of the deferred income annuity. The fair value of the deferred income annuity is reflected in Level 3.



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*Guaranteed Interest Accounts*

The guaranteed interest accounts cannot be sold to a third party; thus, the only option to exit the guaranteed interest accounts is to withdraw or transfer the funds prior to maturity for an event other than death, disability, termination, or retirement. The fair value represents guaranteed interest account values adjusted to reflect current market interest rates only to the extent such market rates exceed contract crediting rates. This value represents contributions allocated to the guaranteed interest accounts, plus interest at the contractually guaranteed rate, less funds used to pay Plan benefits and Principal Life's administrative expenses. The fair value of the guaranteed interest accounts is reflected in Level 3.

*Separate Accounts*

Separate accounts are designed to deliver safety and stability by preserving principal and accumulating earnings. The separate account assets include, but are not limited to, contributions invested in domestic and international common stocks, high-quality short-term debt securities, real estate, private market bonds and mortgages, and high-yield fixed income securities that are slightly below investment grade, all of which are valued at fair value. The NAV of each of the separate accounts is calculated in a manner consistent with GAAP for investment companies and is determinative of their fair value and represents the price at which the Plan would be able to initiate a transaction. The fair value of the underlying funds and securities is used to determine the NAV of the separate account, which is not publicly quoted. The fair value of the underlying mutual funds and equity securities are based on quoted prices of identical assets. The fair value of the underlying fixed income securities are based on third-party pricing vendors that utilize observable market information. As of December 31, 2017, all separate accounts are reflected in Level 2.

One separate account invests in real estate. The fair value of the underlying real estate is estimated using discounted cash flow valuation models that utilize public real estate market data inputs such as transaction prices, market rents, vacancy levels, leasing absorption, market cap rates, and discount rates. In addition, each property is appraised annually by an independent appraiser. The fair value of the separate account is based on NAV and is considered a Level 2 asset.

There are currently no redemption restrictions on these investments.

*Principal Financial Group, Inc. ESOP*

The ESOP is reported at fair value based on the quoted closing market price of PFG's stock on the last business day of the Plan year and is reflected in Level 1.

*Self-Directed Brokerage Account*

Plan participants have access to a limited number of mutual funds through the SDBA. The SDBA is reflected in Level 1.



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## Assets Measured at Fair Value on a Recurring Basis

Assets measured at fair value on a recurring basis are summarized below.

| | As of December 31, 2017 | | | |
|---|---|---|---|---|
| | Assets measured at fair value | Fair Value Hierarchy Level | | |
| | | Level 1 | Level 2 | Level 3 |
| **Assets** | | | | |
| Deferred income annuity | **$ 1,103,026** | **$ —** | **$ —** | **$ 1,103,026** |
| Guaranteed interest accounts | **30,234,543** | **—** | **—** | **30,234,543** |
| Separate accounts | **2,333,946,527** | **—** | **2,333,946,527** | **—** |
| Principal Financial Group, Inc. ESOP | **127,078,394** | **127,078,394** | **—** | **—** |
| Self-directed brokerage account | **1,418,480** | **1,418,480** | **—** | **—** |
| Total invested assets, excluding Plan interest in Master Trust Investment Account | **$ 2,493,780,970** | **$ 128,496,874** | **$ 2,333,946,527** | **$ 31,337,569** |

| | As of December 31, 2016 | | | |
|---|---|---|---|---|
| | Assets measured at fair value | Fair Value Hierarchy Level | | |
| | | Level 1 | Level 2 | Level 3 |
| **Assets** | | | | |
| Guaranteed interest accounts | $ 31,850,344 | $ — | $ — | $ 31,850,344 |
| Separate accounts | 1,907,550,374 | — | 1,907,550,374 | — |
| Principal Financial Group, Inc. ESOP | 117,318,296 | 117,318,296 | — | — |
| Self-directed brokerage account | 807,420 | 807,420 | — | — |
| Total invested assets, excluding Plan interest in Master Trust Investment Account | $ 2,057,526,434 | $ 118,125,716 | $ 1,907,550,374 | $ 31,850,344 |

## Changes in Level 3 Fair Value Measurements

The reconciliation for all assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the years ended December 31, 2017 and 2016, was as follows:

| | For the year ended December 31, 2017 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Beginning Asset Balance as of January 1, 2017 | Interest* | Purchases** | Sales** | Transfers In (Out) of Level 3 | Ending Asset Balance as of December 31, 2017 | Changes in Unrealized Losses Included in Changes in Net Assets Available for Benefits Relating to Positions Still Held |
| **Assets** | | | | | | | |
| Deferred income annuity | **$ —** | **$ (107,618)** | **$ 1,519,698** | **$ (309,054)** | **$ —** | **$ 1,103,026** | **$ (107,618)** |
| Guaranteed interest accounts | **31,850,344** | **56,937** | **11,345,262** | **(13,018,000)** | **—** | **30,234,543** | **(193,595)** |
| Total | **$ 31,850,344** | **$ (50,681)** | **$ 12,864,960** | **$ (13,327,054)** | **$ —** | **$ 31,337,569** | **$ (301,213)** |



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| | For the year ended December 31, 2016 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Beginning Asset Balance as of January 1, 2016 | Interest* | Purchases** | Sales** | Transfers In (Out) of Level 3 | Ending Asset Balance as of December 31, 2016 | Changes in Unrealized Losses Included in Changes in Net Assets Available for Benefits Relating to Positions Still Held |
| **Assets** | | | | | | | |
| Guaranteed interest accounts | $ 32,414,952 | $ 256,237 | $ 10,817,320 | $ (11,638,165) | $ — | $ 31,850,344 | $ (3,933) |
| Total | $ 32,414,952 | $ 256,237 | $ 10,817,320 | $ (11,638,165) | $ — | $ 31,850,344 | $ (3,933) |

*Includes interest and unrealized gains or losses.
** Includes contributions, transfers from affiliated and unaffiliated plans, transfers to other investments via participant election, benefits paid to participants, and administrative expenses.

## Quantitative Information about Level 3 Fair Value Measurements

The following table provides quantitative information about the significant unobservable inputs used for recurring fair value measurements categorized within Level 3.

| | As of December 31, 2017 | | | |
|---|---|---|---|---|
| | **Assets measured at fair value** | **Valuation technique** | **Unobservable input description** | **Input/range of inputs** |
| **Assets** | | | | |
| Deferred income annuity | **$ 1,103,026** | Discounted cash flow | Long duration interest rate | **3.00% − 3.97%** |
| | | | Mortality rate | See note (1) |
| Guaranteed interest accounts | **30,234,543** | See note (2) | Interest rate on account | **0.10% − 1.95%** |
| | | | Applicable interest rate | **2.24% − 2.77%** |
| | | | Maturity date | 12/31/2017 − 12/31/2023 |



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| | As of December 31, 2016 | | | |
|---|---|---|---|---|
| | Assets measured at fair value | Valuation technique | Unobservable input description | Input/range of inputs |
| **Assets** | | | | |
| Guaranteed interest accounts | $ 31,850,344 | See note (2) | Interest rate on account | 0.10% − 2.36% |
| | | | Applicable interest rate | 1.31% − 2.59% |
| | | | Maturity date | 12/31/2016 − 12/31/2022 |

(1) This input is based on an industry mortality table and a range does not provide a meaningful presentation.

(2) If the applicable interest rate is equal to or less than the interest rate on the account, the fair market value is equal to the contract value. If the applicable interest rate is greater than the interest rate on the account, the fair market value is the contract value reduced by a percentage. This percentage is equal to the difference between the applicable interest rate and the interest rate on the account, multiplied by the number of years (including fractional parts of a year) until the maturity date.

## 5. Interest in Master Trust Investment Account

In 2016, the Principal Select Savings Stable Value Master Trust was liquidated and transferred to the Principal Select Stable Value Separate Account (PSSVSA), which is reported as a Master Trust Investment Account (MTIA). The MTIA was established for the investment of assets of The Principal Select Savings Plan for Employees and The Principal Select Savings Plan for Individual Field (the Plans). The Plans gain access to the PSSVSA through a group annuity contract (Contract) issued by Principal Life, an affiliate. Each participating plan has an undivided interest in the PSSVSA. The PSSVSA is an insurance company separate account that invests in the Morley Stable Income Bond Fund (Bond Fund) and the Principal Liquid Asset Separate Account (PLASA). The Bond Fund is a collective investment trust that invests in investment-grade fixed income securities. The Bond Fund was maintained by Principal Global Investors & Trust Company, an affiliate of PFG. The PSSVSA is valued at contract value as reported to the Plans by Principal Life.

As of December 31, 2017 and 2016, the Plan's interest in the net assets of the MTIA was approximately 91% and 87%, respectively. Investment income and administrative expenses are allocated to the individual plans based upon the Plan's interest in the MTIA.

The Contract provides a crediting rate that amortizes portfolio gains and losses over time and accounts for benefit payments to the Plans' participants at the contract value. Under the Contract, Principal Life agrees to pay any deficiency if the investments in the PSSVSA have been exhausted for benefit payments and the contract value is greater than zero. The objective of the PSSVSA is to preserve capital, credit relatively stable returns consistent with its comparatively low risk profile, and provide liquidity for benefit-responsive payments. The crediting interest rate is based on a formula agreed upon with Principal Life, but it may not be less than 0%. Such interest rates are reviewed on a monthly basis for resetting.

Certain events limit the ability of the Plans to transact at contract value with Principal Life when material event withdrawals are made, including (1) certain termination of employment of a group of



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participants (including through layoffs or early retirement incentive programs instituted by the Company) of 25% or more of the Plan Members in any calendar year, (2) a certain spin-off or sale of the Company's business entity or location that affect more than 25% of the Plan Members, (3) certain adoptions of amendments to one of the plans, any change in practice, or any change in participant withdrawal rights under one of the plans. The Plans do not believe that the occurrence of any such material event is probable.

As required by Accounting Standards Codification (ASC) 962, Plan Accounting – Defined Contribution Pension Plans, the Statements of Net Assets Available for Benefits present the fair value of investments, excluding the fully benefit-responsive investment contract which is presented at contract value. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis.

The net assets, including investments, of the MTIA was as follows:

| | December 31, | |
|---|---|---|
| | **2017** | **2016** |
| PLASA | **$ 4,824,901** | $ 5,914,788 |
| Bond Fund | **115,350,473** | 110,325,057 |
| Total assets | **120,175,374** | 116,239,845 |
| Payables | **(369,247)** | (6,983) |
| Total net assets at contract value | **$ 119,806,127** | $ 116,232,862 |
| Plan interest in the MTIA | **$ 108,680,455** | $ 101,571,136 |

Investment income for the MTIA was as follows:

| | **For the year ended December 31, 2017** |
|---|---|
| Interest income | **$ 2,008,866** |
| Other income | **1,285** |
| Expenses | **(176,200)** |
| Total investment income | **$ 1,833,951** |

**6. Related Party Transactions**

In addition to the transactions with parties-in-interest discussed herein, Principal Life provides recordkeeping services to the Plan and receives fees. Fees were paid by Plan participants. These transactions are exempt from the prohibited transactions rules of ERISA. The Company may pay other



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Plan expenses from time to time. As part of the Principal Select Savings Stable Value Fund investment, the Plan purchases a wrap contract from Principal Life. The ESOP received $3,518,766 in dividends from PFG in 2017.

**7. Form 5500**

The following table reconciles net assets available for benefits per the Statements of Net Assets Available for Benefits to the Form 5500:

| | December 31, | |
|---|---|---|
| | **2017** | **2016** |
| Net assets available for benefits per the Statements of Net Assets Available for Benefits | **$ 2,627,394,247** | $ 2,181,591,509 |
| Adjustments from contract value to fair value for fully benefit-responsive investment contract | **(1,143,464)** | (791,829) |
| Net assets available for benefits per the Form 5500 | **$ 2,626,250,783** | $ 2,180,799,680 |

The following table reconciles the Statement of Changes in Net Assets Available for Benefits to the Form 5500:

| | **December 31, 2017** |
|---|---|
| Net change from contract value to fair value for fully benefit-responsive investment contracts | **$ (351,636)** |
| MTIA investment income | **1,639,268** |
| Net investment gain from MTIA per the Form 5500 | **$ 1,287,632** |

GAAP requires that the Plan reports interest in fully benefit-responsive contracts at contract value, while the Form 5500 is required to report these investments at fair value.



Classification: Internal Use

# Supplemental Schedule

Classification: Internal Use

The Principal Select Savings Plan for Employees

EIN: 42-1520346 Plan Number: 003

Schedule H, Line 4i – Schedule of Assets
(Held at End of Year)

December 31, 2017

| Identity of Issue | Description of Investment | Current Value |
|---|---|---|
| Principal Life Insurance Company* | Deposits in deferred income annuity | **$ 1,103,026** |
| Principal Life Insurance Company* | Deposits in guaranteed interest accounts | **30,234,543** |
| Principal Life Insurance Company* | Deposits in insurance company Small-Cap Value II Separate Account | **29,015,147** |
| Principal Life Insurance Company* | Deposits in insurance company Large-Cap Growth Separate Account | **88,735,731** |
| Principal Life Insurance Company* | Deposits in insurance company U.S. Property Separate Account | **231,787,315** |
| Principal Life Insurance Company* | Deposits in insurance company Core Plus Bond Separate Account | **107,082,568** |
| Principal Life Insurance Company* | Deposits in insurance company Diversified International Separate Account | **168,281,789** |
| Principal Life Insurance Company* | Deposits in insurance company Large-Cap Stock Index Separate Account | **321,459,233** |
| Principal Life Insurance Company* | Deposits in insurance company Government and High Quality Bond Separate Account | **31,928,375** |
| Principal Life Insurance Company* | Deposits in insurance company Mid-Cap Separate Account | **212,700,802** |
| Principal Life Insurance Company* | Deposits in insurance company International Emerging Markets Separate Account | **120,478,731** |



Classification: Internal Use

The Principal Select Savings Plan for Employees

EIN: 42-1520346 Plan Number: 003

Schedule H, Line 4i – Schedule of Assets (continued)
(Held at End of Year)

| Identity of Issue | Description of Investment | Current Value |
|---|---|---|
| Principal Life Insurance Company* | Deposits in insurance company Large-Cap Value Separate Account | $ **38,823,861** |
| Principal Life Insurance Company* | Deposits in insurance company Inflation Protection Separate Account | **19,850,635** |
| Principal Life Insurance Company* | Deposits in insurance company Large-Cap Growth I Separate Account | **59,085,614** |
| Principal Life Insurance Company* | Deposits in insurance company Lifetime Strategic Income Separate Account | **18,897,977** |
| Principal Life Insurance Company* | Deposits in insurance company Small-Cap Growth I Separate Account | **68,487,765** |
| Principal Life Insurance Company* | Deposits in insurance company Small-Cap Stock Index Separate Account | **169,617,980** |
| Principal Life Insurance Company* | Deposits in insurance company Equity Income Separate Account | **86,312,033** |
| Principal Life Insurance Company* | Deposits in insurance company Lifetime 2010 Separate Account | **11,021,057** |
| Principal Life Insurance Company* | Deposits in insurance company Lifetime 2015 Separate Account | **2,088,597** |
| Principal Life Insurance Company* | Deposits in insurance company Lifetime 2020 Separate Account | **84,568,320** |
| Principal Life Insurance Company* | Deposits in insurance company Lifetime 2025 Separate Account | **16,259,869** |

The Principal Select Savings Plan for Employees

EIN: 42-1520346 Plan Number: 003

Schedule H, Line 4i – Schedule of Assets (continued)
(Held at End of Year)

| Identity of Issue | Description of Investment | Current Value |
|---|---|---|
| Principal Life Insurance Company* | Deposits in insurance company Lifetime 2030 Separate Account | **$ 168,918,268** |
| Principal Life Insurance Company* | Deposits in insurance company Lifetime 2035 Separate Account | **12,735,697** |
| Principal Life Insurance Company* | Deposits in insurance company Lifetime 2040 Separate Account | **134,718,116** |
| Principal Life Insurance Company* | Deposits in insurance company Lifetime 2045 Separate Account | **10,615,324** |
| Principal Life Insurance Company* | Deposits in insurance company Lifetime 2050 Separate Account | **91,031,409** |
| Principal Life Insurance Company* | Deposits in insurance company Lifetime 2055 Separate Account | **9,720,058** |
| Principal Life Insurance Company* | Deposits in insurance company Lifetime 2060 Separate Account | **9,901,402** |
| Principal Life Insurance Company* | Deposits in insurance company Diversified Real Asset Separate Account | **3,996,041** |
| Principal Life Insurance Company* | Deposits in insurance company Blue Chip Separate Account | **5,826,813** |
| Principal Life Insurance Company* | Self-directed brokerage account | **1,418,480** |
| Principal Financial Group, Inc.* | 1,800,998 shares of Principal Financial Group, Inc. ESOP | **127,078,394** |

The Principal Select Savings Plan for Employees

EIN: 42-1520346 Plan Number: 003

Schedule H, Line 4i – Schedule of Assets (continued)
(Held at End of Year)

| Identity of Issue | Description of Investment | Current Value |
|---|---|---|
| Loans to participants* | Notes receivable from participants with varying maturity dates and interest rates ranging from 3.25% to 10.50% | **$ 23,291,331** |
| | | **$ 2,517,072,301** |

*Indicates party-in-interest to the Plan.

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# SCHEDULE H, line 4i –SCHEDULE OF ASSETS (HELD AT END OF YEAR)

THE PRINCIPAL SELECT SAVINGS PLAN FOR EMPLOYE

EIN 42 1520346
PLAN NUMBER 003
PLAN YEAR 01/01/2017 TO 12/31/2017

| (A) | (B) Identity of issuer, borrower, lessor or similar party. | (C) Description of investment including maturity date, rate of interest, collateral, par or maturity value. | (D) Cost | (E) Current Value |
|---|---|---|---|---|
| * | Principal Life Insurance Company | Insurance Company General Guaranteed Interest | $ 0.00 | $ 30,234,542.98 |
| * | Principal Life Insurance Company | Pooled Separate Accounts Prin Core Plus Bond Sep Acct-Z | $ 0.00 | $107,082,567.68 |
| * | Principal Life Insurance Company | Pooled Separate Accounts Prin Diversified Intl SA-Z | $ 0.00 | $168,281,789.19 |
| * | Principal Life Insurance Company | Pooled Separate Accounts Prin Equity Income SA-Z | $ 0.00 | $ 86,312,033.31 |
| * | Principal Life Insurance Company | Pooled Separate Accounts Prin Govt & HQ Bond SA-Z | $ 0.00 | $ 31,928,374.56 |
| * | Principal Life Insurance Company | Pooled Separate Accounts Prin Inflation Protect SA-Z | $ 0.00 | $ 19,850,635.46 |
| * | Principal Life Insurance Company | Pooled Separate Accounts Prin Intl Emerg Markets SA-Z | $ 0.00 | $120,478,731.40 |
| * | Principal Life Insurance Company | Pooled Separate Accounts Prin LargeCap Growth I SA-Z | $ 0.00 | $ 59,085,613.82 |
| * | Principal Life Insurance Company | Pooled Separate Accounts Prin LgCap Growth Sep Acct-Z | $ 0.00 | $ 88,735,730.71 |
| * | Principal Life Insurance Company | Pooled Separate Accounts Prin LgCap Value Sep Acct-Z | $ 0.00 | $ 38,823,861.29 |
| * | Principal Life Insurance Company | Pooled Separate Accounts Prin LgCp S&P 500 Index SA-Z | $ 0.00 | $321,459,232.48 |
| * | Principal Life Insurance Company | Pooled Separate Accounts Prin LifeTime Strat Inc SA-Z | $ 0.00 | $ 18,897,977.15 |
| * | Principal Life Insurance Company | Pooled Separate Accounts Prin LifeTime 2015 Sep Acct-Z | $ 0.00 | $ 2,088,596.77 |
| * | Principal Life Insurance Company | Pooled Separate Accounts Prin LifeTime 2020 Sep Acct-Z | $ 0.00 | $ 84,568,320.36 |
| * | Principal Life Insurance Company | Pooled Separate Accounts Prin LifeTime 2025 Sep Acct-Z | $ 0.00 | $ 16,259,869.08 |

SCHEDULE H, line 4i – SCHEDULE OF ASSETS (HELD AT END OF YEAR)

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# SCHEDULE H, line 4i –SCHEDULE OF ASSETS (HELD AT END OF YEAR)

THE PRINCIPAL SELECT SAVINGS PLAN FOR EMPLOYE

EIN 42 1520346
PLAN NUMBER 003
PLAN YEAR 01/01/2017 TO 12/31/2017

| (A) | (B) Identity of issuer, borrower, lessor or similar party. | (C) Description of investment including maturity date, rate of interest, collateral, par or maturity value. | (D) Cost | (E) Current Value |
|---|---|---|---|---|
| * | Principal Life Insurance Company | Pooled Separate Accounts<br>Prin LifeTime 2035 Sep Act-Z | $ 0.00 | $ 12,735,697.25 |
| * | Principal Life Insurance Company | Pooled Separate Accounts<br>Prin LifeTime 2040 Sep Acct-Z | $ 0.00 | $134,718,116.35 |
| * | Principal Life Insurance Company | Pooled Separate Accounts<br>Prin LifeTime 2045 Sep Acct-Z | $ 0.00 | $ 10,615,323.64 |
| * | Principal Life Insurance Company | Pooled Separate Accounts<br>Prin LifeTime 2050 Sep Acct-Z | $ 0.00 | $ 91,031,408.98 |
| * | Principal Life Insurance Company | Pooled Separate Accounts<br>Prin LifeTime 2055 Sep Acct-Z | $ 0.00 | $ 9,720,058.02 |
| * | Principal Life Insurance Company | Pooled Separate Accounts<br>Prin LifeTime 2060 Sep Acct-Z | $ 0.00 | $ 9,901,401.81 |
| * | Principal Life Insurance Company | Pooled Separate Accounts<br>Prin LifeTm 2010 Sep Acct-Z | $ 0.00 | $ 11,021,057.43 |
| * | Principal Life Insurance Company | Pooled Separate Accounts<br>Prin MidCap Sep Acct-Z | $ 0.00 | $212,700,801.47 |
| * | Principal Life Insurance Company | Pooled Separate Accounts<br>Prin SmCap Growth I Sep Acct-Z | $ 0.00 | $ 68,487,765.33 |
| * | Principal Life Insurance Company | Pooled Separate Accounts<br>Prin SmCap S&P 600 Index SA-Z | $ 0.00 | $169,617,979.66 |
| * | Principal Life Insurance Company | Pooled Separate Accounts<br>Prin SmCap Value II Sep Acct-Z | $ 0.00 | $ 29,015,146.55 |
| * | Principal Life Insurance Company | Pooled Separate Accounts<br>Principal Div Real Asset SA-Z | $ 0.00 | $ 3,996,040.79 |
| * | Principal Financial Group, Inc. | Employer Security<br>Principal Financial Group ESOP | $ 0.00 | $127,078,394.44 |
| * | Principal Life Insurance Company | Pooled Separate Accounts<br>Prinl LifeTime 2030 Sep Acct-Z | $ 0.00 | $168,918,268.41 |
| * | Principal Life Insurance Company | Brokerage Account<br>Principal Self-Dir Broker Acct | $ 0.00 | $ 1,418,480.09 |

SCHEDULE H, line 4i – SCHEDULE OF ASSETS (HELD AT END OF YEAR)

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# SCHEDULE H, line 4i –SCHEDULE OF ASSETS (HELD AT END OF YEAR)

THE PRINCIPAL SELECT SAVINGS PLAN FOR EMPLOYE

EIN 42 1520346
PLAN NUMBER 003
PLAN YEAR 01/01/2017 TO 12/31/2017

| (A) | (B) Identity of issuer, borrower, lessor or similar party. | (C) Description of investment including maturity date, rate of interest, collateral, par or maturity value. | (D) Cost | (E) Current Value |
|---|---|---|---|---|
| * | Principal Life Insurance Company | Pooled Separate Accounts<br>Principal U.S. Property SA-Z | $ 0.00 | $231,787,314.69 |
| * | Principal Life Insurance Company | Pooled Separate Accounts<br>PRIN BLUE CHIP SA-Z | $ 0.00 | $ 5,826,813.15 |
| * | Principal Life Insurance Company | Insurance Company General<br>PRINCIPAL PENSION BUILDER(SM)Z | $ 0.00 | $ 1,103,026.00 |
| * | Participant Loans | Range of Interest Rates<br>Rates Range From 3.25% To 10.50% | $ 0.00 | $ 23,291,331.00 |
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SCHEDULE H, line 4i – SCHEDULE OF ASSETS (HELD AT END OF YEAR)