

ALLSTATE CORP  
Form 11-K  
June 12, 2018

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

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FORM 11-K

(Mark One):

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2017

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 1-11840

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

ALLSTATE 401(k) SAVINGS PLAN

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

THE ALLSTATE CORPORATION  
2775 SANDERS ROAD, SUITE F-5  
NORTHBROOK, ILLINOIS 60062-6127

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Allstate 401(k)  
Savings Plan  
(EIN: 36-3871531 Plan: 001)  
Financial Statements as of and for the  
Years Ended December 31, 2017 and 2016, Supplemental Schedule as of  
December 31, 2017, and  
Report of Independent Registered Public Accounting Firm

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ALLSTATE 401(k) SAVINGS PLAN

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NOTE: All other supplemental schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Trustee and Participants of  
Allstate 401(k) Savings Plan  
Northbrook, Illinois  
Opinion on the Financial Statements

We have audited the accompanying statements of net assets available for benefits of the Allstate 401(k) Savings Plan (the "Plan") as of December 31, 2017 and 2016, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2017 and 2016, and the changes in net assets available for benefits for the years ended December 31, 2017 and 2016, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on the Plan's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Plan in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Report on Supplemental Schedules

The supplemental schedule of assets (held at end of year) as of December 31, 2017 and the supplementary information by fund in the statement of net assets available for benefits and the statement of changes in net assets available for benefits have been subjected to audit procedures performed in conjunction with the audit of the Plan's financial statements. The supplemental schedule and supplementary information by fund are the responsibility of the Plan's management. Our audit procedures included determining whether the supplemental schedule and supplementary information reconcile to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental schedule or supplementary information. In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including its form and content, is presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Security Act of 1974. In our opinion, such schedules and supplementary information are fairly stated, in all material respects, in relation to the financial statements as a whole.

Chicago, Illinois

/s/ Deloitte & Touche LLP

June 11, 2018

We have served as the auditor of the Plan since 1995.

Member of

Deloitte Touche Tohmatsu Limited

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ALLSTATE 401(K) SAVINGS PLAN  
 STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS  
 AS OF DECEMBER 31, 2017  
 (\$ in thousands)

	Supplementary Information			
	Participant-Directed Funds	Allstate Directed Stock Fund	ESOP Company Shares Unallocated	Total
<b>ASSETS</b>				
Investments—at contract value:				
Invesco Advisers Inc. Stable Value Fund	\$659,879	\$—	\$ —	\$659,879
Investments—at fair value:				
The Allstate Corporation common stock	—	805,733	81,092	886,825
Collective short-term investment fund	—	3,669	9	3,678
Common collective trust funds:				
SSGA U.S. Bond Index Non-Lending Series Fund – Class A	443,954	—	—	443,954
SSGA Real Return ex-Natural Resource Equities Non-Lending Series Fund – Class C	16,545	—	—	16,545
SSGA S&P 500 Index Non-Lending Series Fund – Class A	1,350,377	—	—	1,350,377
SSGA Global All Cap Equity ex U.S. Index Non-Lending Series Fund – Class A	566,995	—	—	566,995
SSGA Russell Sm Cap Index Non-Lending Series Fund – Class A	420,088	—	—	420,088
SSGA S&P Mid Cap Index Non-Lending Series Fund – Class A	351,126	—	—	351,126
NTI Emerging Markets Fund	64,792	—	—	64,792
Northern Trust Focus Funds	662,691	—	—	662,691
Total investments—at fair value	3,876,568	809,402	81,101	4,767,071
Total investments	4,536,447	809,402	81,101	5,426,950
Receivables:				
Dividends and interest	1,249	2,676	288	4,213
Employer contributions	—	3,869	411	4,280
Participant contributions	30	2	—	32
Participant notes receivable	92,171	—	—	92,171
Interfund	—	37,736	—	37,736
Total receivables	93,450	44,283	699	138,432
Other assets	3,238	—	—	3,238
Total assets	4,633,135	853,685	81,800	5,568,620
<b>LIABILITIES</b>				
ESOP loan (Notes 1 and 3)	—	—	2,255	2,255
Payables:				
Interfund	563	—	37,173	37,736

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Other	1,886	30	—	1,916
Total liabilities	2,449	30	39,428	41,907
 NET ASSETS AVAILABLE FOR BENEFITS	 \$4,630,686	 \$853,655	 \$ 42,372	 \$5,526,713

See notes to financial statements.

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ALLSTATE 401(k) SAVINGS PLAN  
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS  
AS OF DECEMBER 31, 2016  
(\$ in thousands)

	Supplementary Information			
	Participant- Directed Funds	Allstate Stock Fund	ESOP Company Shares Unallocated	Total
<b>ASSETS</b>				
Investments—at contract value:				
Invesco Advisers Inc. Stable Value Fund	\$715,341	\$—	\$ —	\$715,341
Investments—at fair value:				
The Allstate Corporation common stock	—	608,171	117,035	725,206
Collective short-term investment fund	—	1,792	3	1,795
Common collective trust funds:				
SSGA U.S. Bond Index Non-Lending Series Fund – Class A	428,503	—	—	428,503
SSGA Real Return ex-Natural Resource Equities Non-Lending Series Fund – Class C	13,554	—	—	13,554
SSGA S&P 500 Index Non-Lending Series Fund – Class A	1,146,593	—	—	1,146,593
SSGA Global Equity ex U.S. Index Non-Lending Series Fund – Class A	393,696	—	—	393,696
SSGA Russell Sm Cap Index Non-Lending Series Fund – Class A	400,910	—	—	400,910
SSGA S&P Mid Cap Index Non-Lending Series Fund – Class A	299,949	—	—	299,949
NTI Emerging Markets Fund	29,948	—	—	29,948
Northern Trust Focus Funds	543,795	—	—	543,795
Total investments—at fair value	3,256,948	609,963	117,038	3,983,949
Total investments	3,972,289	609,963	117,038	4,699,290
Receivables:				
Dividends and interest	1,220	2,696	522	4,438
Employer contributions	—	14,801	7,182	21,983
Participant contributions	20	2	—	22
Other	—	1,977	—	1,977
Participant Notes Receivable	91,146	—	—	91,146
Interfund	—	66,844	—	66,844
Total receivables	92,386	86,320	7,704	186,410
Other assets				
Total assets	4,082	—	—	4,082
	4,068,757	696,283	124,742	4,889,782
<b>LIABILITIES</b>				
ESOP loan (Notes 1 and 3)	—	—	5,287	5,287
Payables:				
Interfund	1,959	—	64,885	66,844



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Other	1,789	32	—	1,821
Total liabilities	3,748	32	70,172	73,952
 NET ASSETS AVAILABLE FOR BENEFITS	 \$4,065,009	 \$696,251	 \$ 54,570	 \$4,815,830

See notes to financial statements.

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ALLSTATE 401(K) SAVINGS PLAN  
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE  
FOR BENEFITS  
YEAR ENDED DECEMBER 31, 2017  
(\$ in thousands)

	Supplementary Information			
	Participant-Directed Funds	Allstate Directed Stock Funds	ESOP Company Shares Unallocated	Total
<b>ADDITIONS</b>				
Net investment income:				
Net appreciation in fair value of investments	\$582,755	\$248,031	\$ 23,690	\$854,476
Interest	15,225	42	11	15,278
Dividends	—	12,106	1,146	13,252
Net investment income	597,980	260,179	24,847	883,006
Interest income on participant notes receivable	3,913	—	—	3,913
Contributions:				
Participants	207,778	14,021	—	221,799
Employer - ESOP loan debt service	—	—	411	411
Employer - cash matched on participant contributions	(170 )	43,299	—	43,129
Total contributions	207,608	57,320	411	265,339
Allocation of company shares - shares matched on participant deposits at fair value	—	37,173	(37,173 )	—
Total additions	809,501	354,672	(11,915 )	1,152,258
<b>DEDUCTIONS</b>				
Benefits paid to participants	371,646	63,995	—	435,641
Interest expense	—	—	282	282
Administrative expense	5,113	338	1	5,452
Total deductions	376,759	64,333	283	441,375
NET INCREASE (DECREASE)	432,742	290,339	(12,198 )	710,883
INTERFUND TRANSFERS	132,935	(132,935 )	—	—
<b>NET ASSETS AVAILABLE FOR BENEFITS:</b>				
Beginning of year	4,065,009	696,251	54,570	4,815,830

End of year	\$4,630,686	\$853,655	\$ 42,372	\$5,526,713
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See notes to financial statements.

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ALLSTATE 401(K) SAVINGS PLAN  
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE  
FOR BENEFITS  
YEAR ENDED DECEMBER 31, 2016  
(\$ in thousands)

	Supplementary Information			
	Participant-Directed Funds	Allstate Directed Stock Fund	ESOP Company Shares Unallocated	Total
<b>ADDITIONS</b>				
Net investment income:				
Net appreciation in fair value of investments	\$ 310,498	\$ 108,647	\$ 18,995	\$ 438,140
Interest	15,256	15	12	15,283
Dividends	5	11,976	2,084	14,065
Net investment income	325,759	120,638	21,091	467,488
Interest income on participant notes receivable	3,701	—	—	3,701
Contributions:				
Participants	186,387	12,345	—	198,732
Employer–ESOP loan debt service	—	—	1,932	1,932
Employer–cash matched on participant contributions	1,348	13,453	5,250	20,051
Total contributions	187,735	25,798	7,182	220,715
Allocation of company shares - shares matched on participant deposits at fair value	—	59,633	(59,633 )	—
Total additions	517,195	206,069	(31,360 )	691,904
<b>DEDUCTIONS</b>				
Benefits paid to participants	261,557	43,222	—	304,779
Interest expense	—	—	586	586
Administrative expense	4,659	309	3	4,971
Total deductions	266,216	43,531	589	310,336
NET INCREASE (DECREASE)	250,979	162,538	(31,949 )	381,568
INTERFUND TRANSFERS	110,721	(105,469 )	(5,252 )	—
<b>NET ASSETS AVAILABLE FOR BENEFITS:</b>				
Beginning of year	3,703,309	639,182	91,771	4,434,262

End of year	\$4,065,009	\$696,251	\$ 54,570	\$4,815,830
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See notes to financial statements.

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ALLSTATE 401(k) SAVINGS PLAN  
NOTES TO FINANCIAL STATEMENTS

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1. DESCRIPTION OF PLAN

The following description of the Allstate 401(k) Savings Plan (the “Plan”), sponsored by The Allstate Corporation (the “Company”), provides only general information. Participants should refer to the plan document for a more complete description of the Plan’s provisions.

General — Regular full-time and regular part-time employees of subsidiaries of the Company, with the exception of those employed by the Company’s international subsidiaries, Esurance Insurance Services, Inc., Answer Financial, Inc. and SquareTrade Inc. are eligible to participate in the Plan. There is no waiting period to enroll in the Plan, provided employees are at least 18 years old.

The Plan is a defined contribution plan consisting of a profit sharing and stock bonus plan containing a cash or deferred arrangement which is intended to meet the requirements of Sections 401(a) and 401(k) of the Internal Revenue Code of 1986 (the “Code”). The stock bonus portion of the Plan includes a leveraged and a nonleveraged employee stock ownership plan (“ESOP”) which is intended to meet the requirements of Section 409 and Section 4975(e)(7) of the Code. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).

Administration — The Plan is administered by the Administrative Committee. Investment transactions are authorized by the Plan’s Investment Committee. Members of the Administrative and Investment Committees are appointed by the 401(k) Committee. The 401(k) Committee is comprised of various Allstate Insurance Company officers as described in the Plan.

Trustee of the Plan — The Northern Trust Company holds Plan assets as trustee under the Allstate 401(k) Savings Plan Trust.

Contributions — Each year, employees may contribute up to 50% of eligible annual compensation through a combination of pre-tax, Roth 401(k), and after-tax contributions, subject to Internal Revenue Code limitations. All eligible employees hired or rehired are automatically enrolled in the Plan at a 5% pre-tax contribution rate, unless the participant declines enrollment or changes the contribution rate within the first 45 days of eligibility. Participants age 50 or older have the option to make additional pre-tax or Roth 401(k) contributions (“Catch-Up” contributions). Employees may also roll over pre-tax or Roth 401(k) amounts representing distributions from other qualified defined benefit or defined contribution plans. The Company match for a plan year is 80 cents for every pre-tax and/or Roth 401(k) dollar that a participant contributes to the Plan during the plan year, up to 5% of eligible compensation. All employer contributions are invested in the Allstate Stock Fund. However, participants can transfer all or part of their Company contributions to any investment option within the Plan at any time, subject to certain limited trading restrictions.

Participant Accounts — Individual accounts are maintained for each Plan participant. Each participant’s account is credited with the participant’s contribution, allocations of the Company’s contribution and investment earnings and losses, and is charged with an allocation of administrative expenses. Accounts may increase by rollovers and decrease by rollovers and withdrawals. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account.

Vesting — Participants hired prior to March 1, 2009 were immediately vested in their contributions and the Company’s contributions plus earnings thereon. Employees hired on or after March 1, 2009 are immediately vested in their contributions and will fully vest in the Company’s contributions after three years of vesting service.

Investment Options — Upon enrollment in the Plan, a participant may direct employee contributions to any or all of the current investment options as listed below. If a participant does not make an investment election, employee contributions will be invested in the Target Retirement Date Fund that corresponds with the participant’s birth date and assumes a retirement date at age 65. Participants may change their investment elections at any time, with limited trading restrictions, but without redemption restrictions. The funds transact with the participants at net asset value on a daily basis.

Allstate Stock Fund (The Allstate Corporation common stock) — The Allstate Stock Fund is a unitized fund that invests in Company common stock with a portion of the fund invested in short-term securities to provide liquidity to process transactions.

Stable Value Fund (Invesco Advisers, Inc. Stable Value Fund) — The fund, managed by Invesco Advisers, Inc. (“Invesco”), a registered investment advisor, is an actively managed portfolio that includes a number of investment contracts issued by a diversified group of insurance companies, banks, and other financial institutions, each backed by one or more diversified bond portfolios.

Bond Fund (SSGA U.S. Bond Index Non-Lending Series Fund – Class A) — The fund, managed by State Street Global Advisors (“SSGA”), a registered investment company, invests in the U.S. Bond Index Non-Lending Series Fund - Class A, which is a collective fund whose objective is to approximate as closely as practicable, before expenses, the performance of the Barclays Capital U.S. Aggregate Bond Index over the long term. The Barclays Capital U.S. Aggregate Bond Index is an index representative of well-diversified exposure to the overall U.S. bond market.

S&P 500 Fund (SSGA S&P 500® Index Non-Lending Series Fund – Class A) — The fund, managed by SSGA, invests in the S&P 500® Index Non-Lending Series Fund – Class A, which is a collective fund whose objective is to approximate as closely as practicable, before expenses, the performance of the Standard & Poor’s 500® Index over the long term. The Standard & Poor’s 500® Index consists of large capitalization (“cap”) stocks across over 24 industry groups and 500 stocks chosen for market size, liquidity and industry group representation.

Real Asset Fund (SSGA Real Return ex-Natural Resource Equities Non-Lending Fund – Class C) — The fund, managed by SSGA, invests in the Real Return ex-Natural Resource Equities Non - Lending Class C Series Fund, which is a collective fund whose objective is to provide an investment return that approximates as closely as practicable, before expenses, the performance of its custom index (the “Real Asset Index”) over the long term. The fund is a collection of real asset investments in commodities, real estate and inflation-protected bonds and offers liquid, cost-effective exposure to three asset classes (see table below) via a disciplined, strategic asset allocation approach.

TargetFund’s Exposure	Real Asset Index
20% Commodities Futures Market	Bloomberg Roll Select Commodity Index
35% Global Development Real Estate Investment Trusts (REITs)	FTSE EPRA/NAREIT Developed Liquid Index
45% U.S. Treasury Inflation-Protected Securities (TIPS)	Barclays U.S. TIPS Index

International Equity Fund (SSGA Global All Cap Equity ex U.S. Index Non-Lending Series Fund) – The fund, managed by SSGA, invests in Global All Cap Equity ex U.S. Index Non-Lending Series Fund – Class A, which is a collective fund whose objective is to approximate as closely as practicable, before expenses, the performance of the Morgan Stanley Capital International (MSCI) All Country World Index (ACWI) ex-U.S. Investable Market Index (IMI) over the long term. The MSCI ACWI ex U.S. IMI are free float-adjusted market capitalization weighted indexes that capture large, mid and small cap equity representation across 22 of 23 developed market countries, excluding the U.S. and 23 emerging market countries.

Russell 2000 Fund (SSGA Russell Small Cap Index Non-Lending Series Fund – Class A) — The fund, managed by SSGA, invests in the Russell Small Cap Index Non-Lending Series Fund – Class A, which is a collective fund whose objective is to approximate as closely as practicable, before expenses, the performance of the Russell 2000® Index over the long term. The Russell 2000® Index measures the performance of the small-cap segment of the U.S. equity universe.

Mid-Cap Fund (SSGA S&P Mid-Cap Index Non-Lending Series Fund – Class A) — The fund, managed by SSGA, invests in the S&P Mid-Cap Index Non-Lending Series Fund – Class A, which is a collective fund whose objective is to approximate as closely as practicable, before expenses, the performance of the S&P Mid-Cap 400™ Index over the long term. The S&P Mid-Cap 400™ Index is a cap-weighted index that measures the performance of the mid-range sector of the U.S. stock market.

Emerging Markets Fund (Northern Trust Investments, Inc. (“NTI”) Emerging Markets Fund) — The Emerging Markets Fund invests in the Northern Trust Collective Emerging Markets Index Fund - Non-Lending managed by NTI. The fund’s objective is to approximate the risk and return characteristics of the MSCI® Emerging Markets Equity Index. The MSCI® Emerging Markets Equity Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets.

Target Retirement Date Funds (Northern Trust Focus Funds) — The Target Retirement Date Funds invest in the Northern Trust Focus Funds, a series of target retirement date collective trust funds for qualified plans managed by NTI. There are ten different Target Retirement Date Funds ranging from 2010 – 2060, in five-year increments, and an Income Fund. Target Retirement Date Funds are dynamic asset allocation investment options. The asset allocation of each Target Retirement Date Fund (except for the Income Fund) gradually changes over time according to a targeted retirement year, assuming a retirement age of 65, until the Target Retirement Date Fund eventually merges with the Income Fund. The funds invest in a broadly diversified portfolio of primarily passive investment funds comprised of U.S. and international stocks, inflation sensitive securities, and U.S. bonds.

Participant Notes Receivable — Participants may borrow from their vested account balance. The loan amount must be at least \$1,000 up to a maximum equal to the lesser of: (i) 50% of their vested account balance, or (ii) \$50,000, and will be taken from the participant’s accounts in the following order: pre-tax, Roth 401(k), rollover, and after-tax. Loan transactions are treated as a proportional transfer from/to the investment funds and to/from the loan fund. Loan terms range from 6 to 48 months for a general-purpose loan and 49 to 180 months for a primary residence loan. Loans are secured by the participant’s account balance and bear interest at the prime rate, plus one percent, as published in the Wall Street Journal in effect on the 15<sup>th</sup> day of the month prior to the first day of the quarter in which the loan is requested. Generally, principal and interest are paid by participants ratably through payroll deductions.

Employee Stock Ownership Plan (ESOP) — The Company has a leveraged ESOP. The ESOP loan bears interest at 7.9%. The borrowing is to be repaid through the year 2019 or earlier, if the Company elects to make additional contributions for principal prepayments on the ESOP Loan. As the Plan makes each payment of principal and interest, a proportional percentage of unallocated shares are allocated to eligible participants’ accounts in accordance with applicable regulations under the Code. The Plan made \$3,032,263 in principal prepayments in 2017.

ESOP shares not yet allocated to participants are held in a suspense account, and none of these shares serve as collateral. ESOP shares allocated to participants and other Company shares that were acquired with participant contributions are included in the Allstate Stock Fund and the lender has no rights against these shares.

Payment of Benefits — Upon termination of service, a participant is entitled to a complete withdrawal of his or her vested account balance, net of any outstanding loans. Partial withdrawals are also permitted under the Plan subject to restrictions. Participants may leave their account balance in the plan after termination, if the balance is greater than \$1,000; however, after the age of seventy and a half, required minimum distributions must be withdrawn. If the value of a vested account balance on or after a participant’s settlement date does not exceed \$1,000, the participant will receive an automatic lump sum distribution of their vested account balance.



Forfeited Accounts — As of December 31, 2017 and 2016, forfeited nonvested accounts totaled \$2,813,526 and \$1,959,360 respectively, and are reported in other assets. These accounts will be used to reduce future employer contributions. During the years ended December 31, 2017 and December 31, 2016, employer contributions were reduced by \$1,959,360 and \$1,215,387, respectively, due to forfeited nonvested accounts.

## 2. SUMMARY OF ACCOUNTING POLICIES

**Basis of Accounting** — The Plan's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

**Use of Estimates** — The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes.

Actual results could differ from those estimates.

**Risks and Uncertainties** — The Plan utilizes various types of investments, including institutional index funds, a stable value fund and common stock. These investments are subject to market risk, the risk that losses will be incurred due to adverse changes in creditworthiness, equity prices and interest rates. It is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

**Investment Valuation and Income Recognition** — Plan investments are stated at fair value except for fully benefit-responsive investment contracts ("FBRIC") which are reported at contract value. Shares of institutional index funds are valued at prices that represent the net asset value of shares held by the Plan at year-end and the fair value of the underlying investments. Common stock held in the Allstate Stock Fund is valued using market price. The Stable Value Fund is a FBRIC and stated at contract value, which is the amount Plan participants would receive if they were to initiate permitted transactions under the terms of the Plan.

Purchases and sales of securities are recorded on a trade-date plus one basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

**Administrative Expenses** — Investment management fees, recordkeeping fees, and trustee fees along with other administrative expenses charged to the Plan for investments in each of the Plan's investment options are deducted from income earned on a daily basis and are not separately reflected. Consequently, fees and expenses are reflected as a reduction of investment return for such investments.

**Benefits Paid to Participants and Participant Notes Receivable** — Benefits paid to participants and participant notes receivable are recorded upon distribution. Amounts allocated to accounts of persons who have elected to withdraw from the Plan, but have not yet been paid as of year end are included in other assets on the Statements of Net Assets Available for Benefits. Participant notes receivable are measured at their unpaid principal balance plus any accrued but unpaid interest.

**Adopted Accounting Standards (Simplification of Disclosure and Reporting Requirements for Employee Benefit Plans)** — In May 2015, the Financial Accounting Standards Board ("FASB") issued guidance which removes the requirement to present certain investments for which the practical expedient is used to measure fair value at net asset value within the fair value hierarchy table. Instead, a Plan would be required to include those investments as a reconciling item so that the total fair value amount of investments in the disclosure is consistent with the fair value investment balance on the statements of net assets available for benefits. The guidance is effective for fiscal years beginning after December 15, 2016, with early adoption permitted. The Plan adopted the provisions of the new guidance retrospectively as of December 31, 2017. Certain historical disclosures that are no longer required were removed.

### 3. ESOP LOAN

The ESOP Loan agreement provides for the loan to be repaid through the year 2019 at an annual interest rate of 7.9%. A \$419,979 thousand prepayment was made on February 9, 2018 and the remaining loan balance of \$1,835,096 is scheduled to mature in December 2019.

The following table presents additional information, as of December 31, 2017 and 2016, for the Plan's investment in The Allstate Corporation common stock held in the Allstate Stock Fund and the ESOP Company Shares.

(\$ in thousands)	2017		2016	
	Allstate Stock Fund	ESOP Company Shares	Allstate Stock Fund	ESOP Company Shares
Number of shares	7,694,903	774,445 <sup>(1)</sup>	8,205,218	1,578,990 <sup>(1)</sup>
Cost	\$228,802	\$5,518	\$206,500	\$11,251
Fair value	805,733	81,092	608,171	117,035

<sup>(1)</sup> Includes unallocated shares and shares committed to be released.

The estimated fair value of the ESOP loan as of December 31, 2017 and 2016, was \$2,256,540 and \$5,505,776, respectively, determined using discounted cash flow calculations based on current interest rates for instruments with comparable terms and considering the Plan's own credit risk.

### 4. 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 that the Plan is terminated, participants would be 100% vested in their accounts.

### 5. TAX STATUS

The Internal Revenue Service ("IRS") has determined and informed the Company by a letter, dated August 17, 2017, that the Plan and related trust were designed in accordance with applicable sections of the Code. The plan document has been amended since receiving the determination letter. The Plan's management believes that the Plan is currently designed and is being operated in compliance with the applicable requirements of the Code. Therefore, no provision for income taxes has been included in the Plan's financial statements, and there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The IRS completed their examination of the Plan for the years ended 2011 and 2012. Their closing letter was issued April 15, 2016. The IRS is not currently examining the Plan. The statute of limitation has expired and the Plan is not subject to income tax examinations for years prior to 2014.

### 6. FULLY BENEFIT-RESPONSIVE INVESTMENT CONTRACTS

The Stable Value Fund holdings include investment contracts called synthetic guaranteed investment contracts comprised of investments in the common collective trusts plus a wrapper contract. The wrapper contract is issued by a financial institution and the contract guarantees to provide a specific interest rate to be credited to the contract plus provide for participant liquidity at contract value in certain situations.

The Stable Value Fund's wrapper contracts are benefit-responsive and are thus eligible for contract-value reporting. Funds may be withdrawn pro-rata from all the Stable Value Fund's investment contracts at contract value determined by the respective issuing companies to pay benefits and to make participant-directed transfers to other investment

options pursuant to the terms of the Plan after the amounts in the Stable Value Fund's Short-Term Investment Fund reserve are depleted.

The wrapper contracts wrap underlying assets which are held in the trust and owned by the Stable Value Fund. The underlying assets are comprised of common collective trusts which may include a variety of high quality fixed income investments selected by the fund manager consistent with the Stable Value Fund's investment guidelines. High quality, as defined by the Stable Value Fund's investment guidelines, means the average credit quality of all of the investments backing the Stable Value Fund contracts is AA/A1 or better as measured by S&P Global's or Moody's credit rating services. The investments in the common collective trusts are used to generate the investment returns that are utilized to provide for interest rates credited through the wrapper contracts.

The wrapper contracts are benefit-responsive in that they provide that participants may execute transactions from the Stable Value Fund according to Plan provisions at contract value. Contract value represents contributions made to the Stable Value Fund, plus earnings, less participant withdrawals. The interest rates in wrapper contracts are reset monthly, based on market rates of other similar investments, the current yield of the underlying investments, the spread between the market value and contract value of the investments held by the contract, and the financial duration of the contract investments. All contracts have a minimum crediting rate of 0%. Certain events, such as plan termination, or a plan merger initiated by the plan sponsor, or changes to Plan provisions not approved by the issuers of the Stable Value Fund's wrapper contracts, may limit the ability of the Stable Value Fund to transact at contract value or may allow for the termination of the wrapper contracts at less than contract value. Plan Management does not believe that any events that may limit the ability of the Stable Value Fund to transact at contract value are probable. Changes in market interest rates affect the yield to maturity and the market value of the investments in the common collective trusts, and thus can have a material impact on the interest crediting rate. In addition, participant withdrawals and transfers from the Stable Value Fund are paid at contract value but funded through the market value liquidation of the investments in the common collective trusts, which also may affect future interest crediting rates. If market interest rates rise and fair values of investments in the common collective trusts fall, the fair value may be less than the corresponding contract value. This shortfall in fair value will be reflected in future crediting rates by amortizing the effect into the future through an adjustment to interest crediting rates of the wrapper contracts. Similarly, if market interest rates fall and fair values of investments in the common collective trusts rise, the fair values of investments held by the wrapper contract may be greater than the corresponding contract value. This excess in fair value will also be reflected in future crediting rates through an amortization process similar to that when there is a fair value shortfall.

#### 7. FAIR VALUE OF ASSETS AND LIABILITIES

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The hierarchy for inputs used in determining fair value maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that observable inputs be used when available. Assets and liabilities recorded on the Statements of Net Assets Available for Benefits at fair value are categorized in the fair value hierarchy based on the observability of inputs to the valuation techniques as follows:

Level 1: Assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that the Plan can access.

Level 2: Assets and liabilities whose values are based on the following:

- (a) Quoted prices for similar assets or liabilities in active markets;
- (b) Quoted prices for identical or similar assets or liabilities in markets that are not active; or
- (c) Valuation models whose inputs are observable, directly or indirectly, for substantially the full term of the asset or liability.

Level 3: Assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. Unobservable inputs reflect the Plan's estimates of the assumptions that market participants would use in valuing the assets and liabilities.

Category level in the fair value hierarchy for assets or liabilities is determined based on the lowest level input that is significant to the fair value measurement in its entirety. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the significant valuation techniques used for assets and liabilities measured at fair value on a recurring basis.

The Allstate Corporation Common Stock: The Company's common stock is actively traded on the New York Stock Exchange and is valued based on unadjusted quoted prices.

Collective Short-Term Investment Fund: Comprise funds with daily quoted net asset values for identical assets in markets that are not active. The net asset values are derived based on the fair values of the underlying investments in the fund some of which are not actively traded.

Investments excluded from the fair value hierarchy - Common and collective trust funds comprise funds that have daily quoted net asset values for identical assets in markets that are not active. The net asset values are primarily derived based on the fair values of the underlying investments in the fund, some of which are not actively traded.

The following table summarizes the Plan's assets measured at fair value on a recurring basis as of December 31, 2017. There were no assets measured at fair value on a non-recurring basis as of December 31, 2017. There were no level 3 assets as of December 31, 2017.

(\$ in thousands)	Level 1	Level 2	Total
Assets			
The Allstate Corporation Common Stock	\$886,825	\$—	\$886,825
Collective short-term investment fund	—	3,678	3,678
Total assets in the fair value hierarchy	\$886,825	\$3,678	890,503
Assets measured at net asset value <sup>(1)</sup>			3,876,568
Total assets at fair value			\$4,767,071

The following table summarizes the Plan's assets measured at fair value on a recurring basis as of December 31, 2016. There were no assets measured at fair value on a non-recurring basis as of December 31, 2016. There were no level 3 assets as of December 31, 2016.

(\$ in thousands)	Level 1	Level 2	Total
Assets			
The Allstate Corporation Common Stock	\$725,206	\$—	\$725,206
Collective short-term investment fund	—	1,795	1,795
Total assets in the fair value hierarchy	\$725,206	\$1,795	727,001
Assets measured at net asset value <sup>(1)</sup>			3,256,948
Total assets at fair value			\$3,983,949

Certain investments that were measured at net asset value per share (or its equivalent) have not been classified in <sup>(1)</sup> the fair value hierarchy. The fair value amounts are intended to permit reconciliation of the fair value hierarchy to the line items in the Statements of Net Assets Available for Benefits.

There were no transfers between levels during 2017 or 2016.

8. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net investment income per the financial statements to the Form 5500 for the years ended December 31, 2017 and 2016:

(\$ in thousands)	2017	2016
Total net investment income per the financial statements	\$883,006	\$467,488
Interest income on participant notes receivable	3,913	3,701
Total net investment income	\$886,919	\$471,189

9. RELATED-PARTY TRANSACTIONS

The Plan invests in The Northern Trust Collective Short Term Investment Fund, the NTI Emerging Markets Fund, and the Northern Trust Focus Funds, which are collective investment funds managed by NTI, the investment advisor division of The Northern Trust Company, the trustee of the Plan. Fees paid by the Plan for investment management services associated with the Collective Short Term Investment Fund, the NTI Emerging Markets Fund, and the Northern Trust Focus Funds were included as a reduction of the return earned on each fund. The Plan also invests in the common stock of The Allstate Corporation, the Plan's sponsor, as referenced in the Statements of Net Assets Available for Benefits.

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SUPPLEMENTAL SCHEDULE

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## ALLSTATE 401(k) SAVINGS PLAN

36-3871531 Plan: 001

FORM 5500 — SCHEDULE H, PART IV, LINE 4i —

SCHEDULE OF ASSETS (HELD AT END OF YEAR)

AS OF DECEMBER 31, 2017

(a) (b) Identity of issue, 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
* The Allstate Corporation common stock	8,469,348 shares	\$234,320,196	\$886,825,429
Invesco Advisers Stable Value Fund:			
* The Northern Trust Collective Short Term Investment Fund No. 22-19589	23,898,176 shares	23,898,176	23,898,176
IGT Invesco A+ Int Common Collective Trust	553,029 shares	1,123,382	1,121,689
IGT Jennison A+ Int Common Collective Trust	631,227 shares	1,123,710	1,121,236
IGT BlackRock A+ Core Common Collective Trust	8,397,669 shares	13,446,129	14,595,887
IGT Goldman Sachs Core A Common Collective Trust	9,077,059 shares	13,475,056	14,595,157
IGT Invesco A+ Core Common Collective Trust	6,177,589 shares	10,545,384	11,229,479
IGT Invesco HQ STBF Common Collective Trust	57,620,072 shares	57,654,935	58,256,774
IGT PIMCO A+ Core Common Collective Trust	6,128,084 shares	10,628,345	11,233,576
Transamerica Wrapper	Transamerica No. MDA-00714TR		
IGT Invesco HQ STBF Common Collective Trust	71,554,965 shares	71,554,965	72,345,647
IGT Goldman Sachs Core A Common Collective Trust	4,830,963 shares	7,128,250	7,767,787
IGT BlackRock A+ Core Common Collective Trust	4,469,378 shares	7,082,538	7,768,172
IGT PIMCO A+ Core Common Collective Trust	4,239,908 shares	7,049,813	7,772,302
IGT Invesco A+ Core Common Collective Trust	4,274,160 shares	7,024,590	7,769,470
Pacific Life Insurance Wrapper	Pacific Life Insurance No. G-26930.01.0001		
IGT Invesco A+ Core Common Collective Trust	3,135,070 shares	5,044,993	5,698,858
IGT Invesco HQ STBF Common Collective Trust	71,300,540 shares	71,300,540	72,088,411

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IGT Jennison A+ Int Common Collective Trust	13,418,093 shares	21,828,853	23,834,278
IGT PIMCO A+ Core Common Collective Trust	3,109,946 shares	5,142,525	5,700,935
Prudential Insurance Company Wrapper	Prudential Insurance Company No. GA-62294		

(Continued)

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ALLSTATE 401(k) SAVINGS PLAN  
 36-3871531 Plan: 001  
 FORM 5500 — SCHEDULE H, PART IV, LINE 4i —  
 SCHEDULE OF ASSETS (HELD AT END OF YEAR)  
 AS OF DECEMBER 31, 2017

(a) (b) Identity of issue, 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
Invesco Advisers Stable Value Fund:			
IGT BlackRock A+ Int Common Collective Trust	18,575,905 shares	\$26,642,646	\$30,399,468
IGT Invesco A+ Int Common Collective Trust	15,000,225 shares	25,983,776	30,424,417
IGT PIMCO A+ Int Common Collective Trust	11,708,021 shares	26,739,583	30,411,525
State Street Bank Wrapper	State Street Bank No. 105027		
IGT Invesco HQ STBF Common Collective Trust	33,147,867 shares	33,265,281	33,514,151
IGT BlackRock A+ Int Common Collective Trust	2,134,533 shares	3,380,110	3,493,164
IGT Jennison A+ Int Common Collective Trust	23,603,690 shares	40,919,592	41,926,739
IGT PIMCO A+ Int Common Collective Trust	1,345,354 shares	3,332,870	3,494,549
IGT Voya HQ STBF Common Collective Trust	19,022,758 shares	20,445,813	20,939,929
IGT Invesco A+ Int Common Collective Trust	17,920,652 shares	35,288,948	36,347,813
Voya Retirement & Annuity Wrapper	Voya Retirement & Annuity No. 60256		
IGT Invesco HQ STBF Common Collective Trust	48,361,628 shares	48,378,374	48,896,024
IGT Invesco A+ Core Common Collective Trust	4,902,143 shares	8,707,951	8,911,002
IGT BlackRock A+ Core Common Collective Trust	6,407,554 shares	10,985,057	11,136,892
IGT PIMCO A+ Core Common Collective Trust	4,862,858 shares	8,664,908	8,914,251
IGT Goldman Sachs Core A Common Collective Trust	6,925,941 shares	10,992,475	11,136,339
Life Ins Company SouthWest Wrapper	Life Ins Company SW No. 1008		
Adjustment from fair value to contract value for interest in fully benefit-responsive contracts			(6,865,372 )
Total Invesco Advisers Stable Value Fund		638,779,569	659,878,724

(Continued)

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ALLSTATE 401(K) SAVINGS PLAN  
 36-3871531 Plan: 001  
 FORM 5500 — SCHEDULE H, PART IV, LINE 4i —  
 SCHEDULE OF ASSETS (HELD AT END OF YEAR)  
 AS OF DECEMBER 31, 2017

(a) (b) Identity of issue, 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
State Street Global Advisors (SSGA):			
SSGA U.S. Bond Index Non-Lending Series Fund - Class A	31,868,071 shares	\$ 393,431,904	\$ 443,954,092
SSGA Real Return ex-Natural Resource Equities Non-Lending Fund – Class C	1,389,975 shares	15,752,498	16,544,872
SSGA S&P 500 Index Non-Lending Series Fund - Class A	25,850,969 shares	748,246,768	1,350,377,093
SSGA Global All Cap Equity ex U.S. Index Non-Lending Series Fund - Class A	37,792,137 shares	448,298,147	566,995,435
SSGA Russell Small Cap Index Non-Lending Series Fund - Class A	8,249,959 shares	271,963,404	420,087,933
SSGA S&P Mid-Cap Index Non-Lending Series Fund - Class A	4,458,404 shares	230,254,178	351,126,085
Total State Street Global Advisors		2,107,946,899	3,149,085,510
* Northern Trust Investments (NTI):			
The Northern Trust Collective Short Term Investment Fund No. 22-44460, No. 22-41639, and No. 22-18490	3,678,026 shares	3,678,026	3,678,026
NTI Emerging Markets Fund	335,609 shares	51,313,746	64,791,663
Northern Trust Focus Income Fund	81,859 shares	10,712,142	11,664,076
Northern Trust Focus 2010 Fund	52,923 shares	6,782,818	7,668,059
Northern Trust Focus 2015 Fund	245,898 shares	29,480,254	36,215,890
Northern Trust Focus 2020 Fund	790,851 shares	97,087,532	118,841,135
Northern Trust Focus 2025 Fund	892,027 shares	111,603,123	137,907,442
Northern Trust Focus 2030 Fund	603,742 shares	77,573,547	97,764,002
Northern Trust Focus 2035 Fund	467,677 shares	61,861,739	79,102,835
Northern Trust Focus 2040 Fund	370,503 shares	51,816,378	63,633,861
Northern Trust Focus 2045 Fund	254,606 shares	34,665,806	43,695,533
Northern Trust Focus 2050 Fund	185,323 shares	25,848,250	31,747,719
Northern Trust Focus 2055 Fund	187,963 shares	26,479,465	32,162,347
Northern Trust Focus 2060 Fund	19,218 shares	2,146,889	2,288,245
Total Northern Trust Investments		591,049,714	731,160,833
	Rates of interest from 3.25% to		
* Participant loans		92,170,947	92,170,947

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8.25% maturing through  
2032

Total \$3,664,267,325 \$5,519,121,442

\* Permitted party in interest.  
(Concluded)

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SIGNATURES

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

ALLSTATE 401(k)  
SAVINGS PLAN

By/s/ Lisa Hopson  
Lisa Hopson  
Plan Administrator

June 11, 2018

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