

PUBLIX SUPER MARKETS INC
Form DEF 14A
March 07, 2018
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
(Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

PUBLIX SUPER MARKETS, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee
required.

Fee
computed on
table below
per
o Exchange
Act Rules
14a-6(i)(1)
and 0-11.

(1) Title of each
class of
securities to
which the
transaction
applies:

(2) Aggregate
number of
securities to
which the
transaction
applies:

Per unit price
or other
underlying
value of the
transaction
computed
pursuant to
Exchange
Act Rule
(3) 0-11 (set
forth the
amount on
which the
filing fee is
calculated
and state
how it was
determined):

Proposed
maximum
(4) aggregate
value of the
transaction:

(5) Total fee
paid:

Fee paid
previously
o with
preliminary
materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

- (1) Amount Previously Paid:
 - (2) Form, Schedule or Registration Statement No.:
 - (3) Filing Party:
 - (4) Date Filed:
-

PUBLIX SUPER MARKETS, INC.

Corporate Office Proxy Card Address
3300 Publix Corporate Parkway P.O. Box 32040
Lakeland, Florida 33811-3311 Lakeland, Florida 33802-2040

2018 NOTICE OF ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON APRIL 17, 2018

To Our Stockholders:

Notice is hereby given that the Annual Meeting of Stockholders of Publix Super Markets, Inc., a Florida corporation, will be held at the corporate office of the Company, 3300 Publix Corporate Parkway, Lakeland, Florida, on Tuesday, April 17, 2018, at 9:30 a.m. for the following purposes:

1. To elect the nominees in the accompanying Proxy Statement to the Board of Directors; and
2. To transact such other business as may properly come before the meeting or any adjournments or postponements thereof.

Your vote is important. Please consider the information presented in the Proxy Statement and vote your shares as promptly as possible.

By order of the Board of Directors,

John A. Attaway, Jr.

Secretary

Lakeland, Florida

March 1, 2018

2018 PROXY STATEMENT

GENERAL INFORMATION

On March 6, 2018, notices regarding the availability of online proxy materials (Notices) or proxy materials were mailed to the stockholders of Publix Super Markets, Inc. (Company or Publix) and Notices were mailed or distributed to participants of the Publix Employee Stock Ownership Plan (ESOP). The Notices are in connection with the solicitation of proxies by the Board of Directors (Board or Board of Directors) of the Company and in connection with the request for voting instructions by the Committee of Trustees of the ESOP (ESOP Committee) for use at the Annual Meeting of Stockholders (Annual Meeting) to be held on April 17, 2018 or any adjournments or postponements thereof. The Notices provide stockholders and ESOP participants with instructions on how to access the proxy materials online or request a paper or email copy, the proposal to be voted on at the Annual Meeting and instructions on how to vote. The cost of soliciting proxies and voting instructions is borne by the Company. The Company's Board of Directors and employees also may solicit proxies by email, mail, facsimile, telephone and personal contact. They do not receive any additional compensation for these activities.

VOTING SECURITIES OUTSTANDING

As of February 6, 2018, there were 732,238,000 shares of common stock of the Company outstanding and entitled to vote at the Annual Meeting. Each share is entitled to one vote on each matter. Only stockholders of record as of the close of business on February 6, 2018 will be entitled to vote at the Annual Meeting. ESOP participants are not entitled to vote at the Annual Meeting but may provide voting instructions to the ESOP Committee by 4:30 p.m., Eastern Time, on April 16, 2018.

VOTING PROCEDURES FOR STOCKHOLDERS

Stockholders have the right to revoke submitted proxy cards at any time before they are exercised by filing a written notice of revocation or submitting a duly executed proxy card bearing a later date with the Secretary of the Company at the corporate office of the Company or by mailing it to the Company at the proxy card address. The execution of a proxy card will not prevent a stockholder from voting in person at the Annual Meeting.

The proxy cards and any ballots voted at the meeting will be tabulated by employees of the Company. The shares of a stockholder attending in person or by proxy will be counted as part of the quorum for the meeting, even if that stockholder abstains or otherwise does not vote on any matter. A majority of the outstanding shares of the Company entitled to vote, represented in person or by proxy, shall constitute a quorum. The affirmative vote of a plurality of the votes cast is required for the election of directors. Any other matter submitted to a vote of the stockholders will be approved if the votes cast in favor of the matter are greater than the votes cast in opposition to the matter. A properly executed proxy card marked "ABSTAIN" for the election of a particular nominee or nominees for director will not be voted for the director nominee or nominees indicated but will be counted for purposes of determining whether there is a quorum.

VOTING INSTRUCTIONS FOR ESOP PARTICIPANTS

ESOP participants have the right to instruct the ESOP Committee, consisting of Hoyt R. Barnett, Tina P. Johnson and David P. Phillips, as to how to vote the shares of common stock allocated to their ESOP accounts at the Annual Meeting. The ESOP Committee will vote the ESOP shares at its discretion only if no instructions are received from ESOP participants. ESOP participants have the right to revoke a submitted voting instructions card by filing a written notice of revocation or submitting a duly executed voting instructions card bearing a later date with the ESOP Committee at the corporate office of the Company or by mailing it to the ESOP Committee at the proxy card address.

PROPOSAL: ELECTION OF DIRECTORS

The Company's Bylaws specify that the Board of Directors shall not be less than three or more than 15 members. The exact number of directors shall be fixed by resolution adopted by a vote of a majority of the then authorized number of directors. The Board of Directors has fixed the number of directors at 10 members. The persons designated as nominees for election as a director are Hoyt R. Barnett, Jessica L. Blume, William E. Crenshaw, Jane B. Finley, G. Thomas Hough, Charles H. Jenkins, Jr., Howard M. Jenkins, Randall T. Jones, Sr., Stephen M. Knopik and David P. Phillips. All nominees are currently directors of the Company. The Company's Corporate Governance Guidelines (Guidelines) include a general policy that directors will not stand for re-election after reaching age 72. The

Board waived the Guidelines' age policy for an additional year for Hoyt R. Barnett and Charles H. Jenkins, Jr. to

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provide continuity of experience on the Board. The proxies will be voted FOR the election of the 10 nominees unless the stockholder specifies otherwise.

The term of office of the directors will be until the next annual meeting or until their successors shall be elected and qualified. If one or more of the nominees become unable or unwilling to serve at the time of the meeting, the shares represented by proxy will be voted for the remaining nominees and for any substitute nominee(s) designated by the Board of Directors or, if none, the size of the Board will be reduced accordingly. The Board of Directors does not anticipate that any nominee will be unable or unwilling to serve.

The Board of Directors recommends a vote FOR all the nominees.

INFORMATION ABOUT NOMINEES FOR DIRECTOR

The following information set forth for each of the nominees for election to the Board of Directors includes such person's principal occupation presently and during the last five years; specific experience, qualifications, attributes or skills that qualify such person to serve as a director; service as a director of public companies during the last five years; all positions and offices held with the Company; period of service as director of the Company and age.

Hoyt R. Barnett

Vice Chairman of the Company and Trustee on the ESOP Committee since July 2015. Previously, Vice Chairman and Trustee of the ESOP. Qualifications include extensive business experience serving as an Officer of the Company for 40 years and on the Board of the Company for 32 years. Director since 1985. Age 74.

Jessica L. Blume

Vice Chair of Deloitte LLP from 2012 until retiring in August 2015 and Managing Director of Research and Innovation from 2009 to 2012. Previously, National Managing Director - Consulting from 2006 to 2009, Southeast Regional Managing Director - Consulting from 2003 to 2006 and Atlanta Managing Director - Consulting from 2001 to 2003. Qualifications include extensive experience in business and accounting, serving on the Deloitte LLP governing board for six years and on various committees and qualifying to serve as an Audit Committee financial expert. Currently serves as a Director of Centene Corporation. Director since 2016. Age 63.

William E. Crenshaw

Chairman of the Board of the Company since May 2016. Previously, Chief Executive Officer. Qualifications include extensive business experience serving as an Officer of the Company for 26 years and on the Board of the Company for 27 years. Director since 1990. Age 67.

Jane B. Finley

Associate Vice President for Advancement at Florida Southern College from September 2016 until retiring in May 2017. Previously, Professor of Accounting at Florida Southern College from 2014 to 2016, Deloitte LLP Professor of Accounting at Belmont University from 2006 to 2014, Coordinator of the Accounting Programs at Belmont from 1997 to 2008 and Associate Dean of the Graduate Business School at Belmont from 1997 to 2002. Received Ph.D. in Information Systems from Florida State University in 1995. Partner in the consulting practice of Deloitte LLP from 1983 to 1992. Serves on the Audit Committee as an Audit Committee financial expert. Qualifications include extensive education and experience in business and accounting and qualifying to serve as an Audit Committee financial expert. Director since 2009. Age 71.

G. Thomas Hough

Americas Vice Chair of Assurance Services of Ernst & Young LLP from 2009 to July 2014 and Vice Chair until retiring in September 2014. Previously, Vice Chair and Southeast Area Managing Partner from 2000 to 2009 and Vice Chair of Human Resources from 1996 to 2000. Serves on the Audit Committee as an Audit Committee financial expert. Qualifications include extensive experience in business and accounting, serving on the Ernst & Young LLP governing board for 17 years and qualifying to serve as an Audit Committee financial expert. Currently serves as a Director of Equifax Inc. and as a Director/Trustee of the Federated Fund Family. Director since 2015. Age 63.

Charles H. Jenkins, Jr.

Chairman Emeritus of the Board of the Company since May 2016. Previously, Chairman of the Board. Qualifications include extensive business experience serving as an Officer of the Company for 34 years and on the Board of the Company for 43 years. Director since 1974. Age 74.

Howard M. Jenkins

Chairman of the Board of the Company to 2008. Qualifications include extensive business experience serving as an Officer of the Company for 24 years and on the Board of the Company for 40 years. Director since 1977. Age 66.

Randall T. Jones, Sr.

Chief Executive Officer and President of the Company since May 2016. Previously, President. Qualifications include extensive business experience serving as an Officer of the Company for 14 years and on the Board of the Company for two years. Director since 2016. Age 55.

Stephen M. Knopik

Chairman of the Board and Chief Executive Officer of Beall's, Inc. since December 2016. Previously, Chief Executive Officer from 2006 to 2016, President, Chief Financial Officer and Director of Finance of Beall's, Inc. from 1984 to 2006 and various positions with KPMG LLP from 1978 to 1984. Serves on the Audit Committee as an Audit Committee financial expert. Qualifications include extensive experience in business and accounting, including serving as Chief Executive Officer and Chief Financial Officer of a retail company, and qualifying to serve as an Audit Committee financial expert. Director since 2013. Age 62.

David P. Phillips

Executive Vice President, Chief Financial Officer and Treasurer of the Company and Trustee on the ESOP Committee since May 2016. Chief Financial Officer, Treasurer and Trustee on the ESOP Committee from July 2015 to May 2016. Previously, Chief Financial Officer and Treasurer. Qualifications include extensive business and accounting experience serving as an Officer of the Company for 27 years and on the Board of the Company for two years. Director since 2016. Age 58.

Hoyt R. Barnett is the brother-in-law of Howard M. Jenkins. William E. Crenshaw is the nephew of Howard M. Jenkins. Charles H. Jenkins, Jr. is the cousin of Howard M. Jenkins and William E. Crenshaw.

CORPORATE GOVERNANCE

BOARD LEADERSHIP STRUCTURE AND ROLE IN RISK OVERSIGHT

The Company does not have a formal policy regarding the separation of the Chairman of the Board and Chief Executive Officer positions. The Company determines the leadership structure it deems appropriate based on factors such as the experience of the applicable individuals, the current business environment of the Company or other relevant factors. The Company's current Chairman of the Board retired as Chief Executive Officer in April 2016 after serving 25 years on the Company's Board of Directors, including eight years as Chief Executive Officer. Based on the former Chief Executive Officer's extensive experience, the Company determined that separating the positions of Chairman of the Board and Chief Executive Officer is the appropriate board leadership structure at this time. The Board of Directors is responsible for oversight of the Company's risk management practices while management is responsible for the day-to-day risk management processes. This division of responsibilities is the most effective approach for addressing the risks facing the Company, and the Company's board leadership structure supports this approach. The Board receives periodic reports from management regarding the most significant risks facing the Company. The Audit Committee assists the Board in its oversight role by receiving periodic reports regarding the Company's risk and control environment. In addition, the Compensation Committee assists the Board in its oversight of compensation-related risks.

BOARD MEETINGS

The Board of Directors held four meetings during 2017. All directors attended all four meetings. In addition, all directors attended all Board committee meetings except one director who missed one committee meeting. The Company does not have a specific policy regarding director attendance at the Annual Meeting; however, all directors attended the last Annual Meeting on April 18, 2017. During 2017, the Board of Directors consisted of Hoyt R. Barnett, Jessica L. Blume, William E. Crenshaw, Chairman, Jane B. Finley, G. Thomas Hough, Charles H. Jenkins, Jr., Howard M. Jenkins, Randall T. Jones, Sr., Stephen M. Knopik and David P. Phillips.

DIRECTOR INDEPENDENCE

The Board of Directors has determined that Jessica L. Blume, Jane B. Finley, G. Thomas Hough and Stephen M. Knopik are independent as defined by the rules of the New York Stock Exchange. The Company is not a listed issuer on an established securities market but has chosen the definition of director independence contained in the rules of the New York Stock Exchange as the Company's director independence standards. The Company does not have a majority of independent directors.

In determining independence, the Board of Directors reviews whether directors have any material relationship with the Company. The Board of Directors considers all relevant facts and circumstances. In assessing the materiality of a director's relationship with the Company, the Board of Directors considers the issues from the director's standpoint and from the perspective of the persons or organizations with which the director has an affiliation. The Board reviews commercial, industrial, consulting, legal, accounting, charitable and family relationships. An independent director must not have any material relationship with the Company, either directly or indirectly, that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

In applying its independence standards for each director identified as independent, the Board of Directors determined that Jessica L. Blume, Jane B. Finley and G. Thomas Hough have no material relationships with the Company other than as a director. The Board of Directors considered that Stephen M. Knopik is the Chairman of the Board and Chief Executive Officer of Beall's, Inc., which through its subsidiaries leases space in 14 Company owned shopping centers. The Board of Directors determined that Mr. Knopik's position with Beall's, Inc. does not interfere with the exercise of his independent judgment in that (1) lease payments (including rent, common area maintenance and real estate taxes) received by the Company from Beall's, Inc. during 2017 were less than 2% of Beall's, Inc.'s consolidated gross revenue and (2) the terms of Beall's, Inc.'s lease agreements with the Company are not more favorable than terms that would have been provided to unaffiliated third parties.

COMMITTEES

The Board of Directors had the following committees during 2017, each of which is described below: Executive, Compensation, Audit, Corporate Governance and Nominating.

The Executive Committee's primary responsibility is to act on behalf of the Board of Directors between meetings of the Board. During 2017, the Executive Committee held six meetings and consisted of Hoyt R. Barnett, William E. Crenshaw, Charles H. Jenkins, Jr., Howard M. Jenkins, Chairman, Randall T. Jones, Sr. and David P. Phillips. All committee members attended all meetings of the Executive Committee.

The Compensation Committee has responsibility for reviewing and setting the salary and benefits structure of the Company with respect to the named executive officers. The Committee has responsibility to (1) assist the Board of Directors in evaluating the compensation of the Chief Executive Officer and other named executive officers and (2) assure that the Chief Executive Officer and other named executive officers are compensated effectively in a manner consistent with the compensation philosophy of the Company. The Compensation Committee operates under a written charter, a copy of which is posted on the Company's website at corporate.publix.com/governance. During 2017, the Compensation Committee held three meetings and consisted of Jessica L. Blume, Jane B. Finley, Chairwoman, and Stephen M. Knopik. All of the committee members are independent as defined by the rules of the New York Stock Exchange. All committee members attended all meetings of the Compensation Committee.

The Audit Committee has responsibility for assessing the processes related to the Company's risk and control environment, overseeing the financial reporting and evaluating the internal and independent audit processes. The Audit Committee operates under a written charter, a copy of which is posted on the Company's website at corporate.publix.com/governance. The Audit Committee reviews and reassesses the charter annually and recommends any changes to the Board of Directors for approval. During 2017, the Audit Committee held four meetings and consisted of Jane B. Finley, G. Thomas Hough, Chairman, and Stephen M. Knopik. All of the committee members are independent as defined by Rule 10A-3 of the Securities Exchange Act of 1934 and the rules of the New York Stock Exchange. The

Board of Directors has also determined that all of the committee members are audit committee financial experts as defined by the rules of the Securities Exchange Commission (SEC). All committee members attended all meetings of the Audit Committee.

The Corporate Governance Committee has responsibility for reviewing and reporting to the Board of Directors on matters of corporate governance such as practices, policies and procedures affecting directors and the Board's operations and effectiveness. The Corporate Governance Committee is also responsible for recommending the amount and form of compensation for non-employee directors independent of management. The Corporate Governance Committee operates under a written charter. During 2017, the Corporate Governance Committee held four meetings and consisted of Hoyt R. Barnett, Jessica L. Blume, G. Thomas Hough and Stephen M. Knopik, Chairman. A majority of the committee members are independent as defined by the rules of the New York Stock Exchange. All committee members attended all meetings of the Corporate Governance Committee except one member who missed one meeting.

The Nominating Committee has responsibility for reviewing and reporting to the Board of Directors on matters of Board nominations. This includes reviewing potential candidates and proposing nominees to the Board of Directors. The Nominating Committee operates under a written charter, a copy of which is posted on the Company's website at corporate.publix.com/governance. During 2017, the Nominating Committee held two meetings and consisted of Hoyt R. Barnett, Chairman, William E. Crenshaw, Charles H. Jenkins, Jr., Howard M. Jenkins and Randall T. Jones, Sr. A majority of the committee members are not independent as defined by the rules of the New York Stock Exchange. In the opinion of the Board of Directors, each committee member has the ability to make objective decisions independent of management. All committee members attended all meetings of the Nominating Committee. The Company does not have a formal policy regarding the consideration of any director candidates recommended by stockholders. However, the Nominating Committee considers recommendations for director candidates from several sources, including stockholders. Candidates must meet minimum qualifications for directors as set forth in the Company's Guidelines. The candidates also must have any additional qualifications identified by the Nominating Committee as may be currently required to maintain the appropriate balance of knowledge, experience and expertise

on the Board of Directors. Candidate recommendations, together with appropriate biographical information, should be sent to the Chairman of the Nominating Committee, c/o Secretary, Publix Super Markets, Inc., P.O. Box 407, Lakeland, Florida 33802-0407.

The Nominating Committee does not have a formal policy regarding the consideration of diversity for director candidates. In evaluating candidates for the Board of Directors, the Nominating Committee seeks to maintain a balance of diverse business experience, education, skills and other individual qualities and attributes in order to maximize the effectiveness of the Board of Directors. The Nominating Committee also considers the specific skills necessary for candidates to effectively participate on certain Board committees. The candidates should possess the highest personal and professional ethics, integrity and values and be committed to representing the long-term interests of the stockholders. In addition, selection criteria may include, but not necessarily be limited to, the following:

no conflict of interest

willingness to devote adequate time and effort to Board responsibilities

ability to work with current Board of Directors

ability to assess corporate strategy

willingness to provide management oversight

broad business experience, judgment and leadership

significant years of management experience in a senior policy-making position

knowledge of the supermarket business or other retail business and

knowledge of business trends including, but not limited to, relevant regulatory affairs.

COMMUNICATION WITH DIRECTORS

Any stockholder or other party interested in communicating with the Board of Directors, either as a group or with an individual member of the Board of Directors, may do so by writing c/o Secretary, Publix Super Markets, Inc., P.O. Box 407, Lakeland, Florida 33802-0407. All communications to the Board of Directors or a specified individual director will be provided to the Board of Directors or the specified individual director at the next Board meeting following receipt of the communication. However, if the Secretary determines the nature of the communication requires the immediate attention of the Board of Directors or the specified individual director, the communication will be provided as soon as reasonably possible.

BENEFICIAL OWNERSHIP OF SECURITIES

The following table presents information about the shares of the Company's common stock deemed to be beneficially owned, under Rule 13d-3 of the Securities Exchange Act of 1934 as a result of voting and/or investment power, as of the close of business on February 6, 2018 by each of the Company's directors, each named executive officer and all directors and executive officers as a group. Additionally, the table presents the persons known by the Company to be a beneficial owner of more than 5% of the Company's outstanding common stock.

Name of beneficial owner	Number of shares of common stock beneficially owned as of February 6, 2018 ⁽¹⁾	% of class
Hoyt R. Barnett	25,279,293 ⁽²⁾⁽¹⁶⁾	3.45
Jessica L. Blume	2,350 ⁽³⁾	*
William E. Crenshaw	8,417,167 ⁽⁴⁾	1.15
Jane B. Finley	13,005 ⁽⁵⁾	*
G. Thomas Hough	10,000 ⁽⁶⁾	*
Charles H. Jenkins, Jr.	6,461,285 ⁽⁷⁾	*
Howard M. Jenkins	1,873,238 ⁽⁸⁾	*
Randall T. Jones, Sr.	70,913 ⁽⁹⁾	*
Stephen M. Knopik	12,800 ⁽¹⁰⁾	*
David P. Phillips	370,601 ⁽¹¹⁾⁽¹⁶⁾	*
Laurie Z. Douglas	84,215 ⁽¹²⁾	*
John A. Attaway, Jr.	75,822 ⁽¹³⁾	*
David E. Bornmann	159,193 ⁽¹⁴⁾	*
Tina P. Johnson	44,241,928 ⁽¹⁵⁾⁽¹⁶⁾⁽¹⁷⁾	6.04
Employee Stock Ownership Plan	195,564,925 ⁽¹⁶⁾	26.71
401(k) Plan	70,072,782 ⁽¹⁷⁾	9.57
All directors and executive officers as a group	43,165,215 ⁽¹⁸⁾	5.89

* Shares represent less than 1% of common stock.

"Beneficial ownership" means the sole or shared voting or investment power with respect to the Company's common stock. In accordance with the beneficial ownership regulations, the same shares of common stock may be presented (1) as beneficially owned by more than one individual or entity. The address for all beneficial owners is 3300 Publix Corporate Parkway, Lakeland, Florida 33811-3311 with a mailing address of P.O. Box 407, Lakeland, Florida 33802-0407.

Mr. Barnett has sole voting and investment power over 553,362 shares of common stock which are held directly, sole voting and investment power over 948,923 shares of common stock which are held indirectly, sole voting and shared investment power over 255,674 shares of common stock which are held indirectly, shared voting and (2) investment power over 23,519,378 shares of common stock which are held indirectly and no voting and shared investment power over 1,956 shares of common stock which are held indirectly. Total shares beneficially owned include 23,519,378 shares of common stock also shown as beneficially owned by Ms. Johnson as the co-trustee of a trust.

(3) Ms. Blume has shared voting and investment power over 2,350 shares of common stock which are held directly.

Mr. Crenshaw has sole voting and investment power over 2,108,564 shares of common stock which are held (4) directly, sole voting and investment power over 6,179,838 shares of common stock which are held indirectly and shared voting and investment power over 128,765 shares of common stock which are held indirectly.

(5) Ms. Finley has sole voting and investment power over 13,005 shares of common stock which are held directly.

(6) Mr. Hough has sole voting and investment power over 4,000 shares of common stock which are held directly and shared voting and investment power over 6,000 shares of common stock which are held directly.

(7)

Mr. C. Jenkins, Jr. has sole voting and investment power over 4,583,190 shares of common stock which are held directly, shared voting and investment power over 2,980 shares of common stock which are held directly, shared voting and investment power over 1,658,337 shares of common stock which are held indirectly and no voting and shared investment power over 216,778 shares of common stock which are held indirectly.

Mr. H. Jenkins has sole voting and investment power over 1,868,950 shares of common stock which are held directly and shared voting and investment power over 4,288 shares of common stock which are held indirectly.

(8) Total shares beneficially owned by Mr. H. Jenkins exclude 6,821,781 shares of common stock for which Mr. H. Jenkins disclaims beneficial ownership. Total shares beneficially owned by Mr. H. Jenkins also exclude 14,970,080 shares of common stock held in entities for which Mr. H. Jenkins no longer has voting or investment power. Mr. H. Jenkins previously reported those shares of common stock as beneficially owned.

- Mr. Jones, Sr. has sole voting and investment power over 7,722 shares of common stock which are held directly, sole voting and investment power over 165 shares of common stock which are held indirectly, sole voting and
- (9) shared investment power over 55,560 shares of common stock which are held indirectly, shared voting and investment power over 5,510 shares of common stock which are held directly and no voting and shared investment power over 1,956 shares of common stock which are held indirectly.
- (10) Mr. Knopik has sole voting and investment power over 12,800 shares of common stock which are held directly. Mr. Phillips has sole voting and investment power over 162,878 shares of common stock which are held directly, sole voting and investment power over 24,025 shares of common stock which are held indirectly, sole voting and
- (11) shared investment power over 67,113 shares of common stock which are held indirectly, shared voting and investment power over 114,629 shares of common stock which are held indirectly and no voting and shared investment power over 1,956 shares of common stock which are held indirectly.
- Ms. Douglas has sole voting and shared investment power over 8,549 shares of common stock which are held
- (12) indirectly, shared voting and investment power over 35,930 shares of common stock which are held directly, shared voting and investment power over 37,962 shares of common stock which are held indirectly and no voting and shared investment power over 1,774 shares of common stock which are held indirectly.
- Mr. Attaway, Jr. has sole voting and shared investment power over 24,244 shares of common stock which are
- (13) held indirectly, shared voting and investment power over 50,465 shares of common stock which are held directly and no voting and shared investment power over 1,113 shares of common stock which are held indirectly.
- Mr. Bornmann has sole voting and investment power over 2,907 shares of common stock which are held directly, sole voting and investment power over 1,600 shares of common stock which are held indirectly, sole voting and
- (14) shared investment power over 52,913 shares of common stock which are held indirectly, shared voting and investment power over 81,005 shares of common stock which are held directly, shared voting and investment power over 18,812 shares of common stock which are held indirectly and no voting and shared investment power over 1,956 shares of common stock which are held indirectly.
- Ms. Johnson has sole voting and investment power over 97,196 shares of common stock which are held indirectly, sole voting and shared investment power over 60,454 shares of common stock which are held indirectly and shared voting and investment power over 191,596 shares of common stock which are held directly.
- Ms. Johnson also has sole voting and investment power over 20,373,304 shares of common stock as the trustee of trusts and shared voting and investment power over 23,519,378 shares of common stock as the co-trustee of a
- (15) trust for which Ms. Johnson does not have a pecuniary interest. To avoid confusion, the total shares presented in the table as beneficially owned by Ms. Johnson exclude 70,070,826 shares of common stock held by the Company's 401(k) Plan that may be deemed to be beneficially owned by Ms. Johnson in her capacity as Trustee of the Company's common stock held in the 401(k) Plan. As a Trustee, Ms. Johnson exercises sole voting power over 70,072,782 shares of common stock held by the 401(k) Plan. Total shares beneficially owned include 23,519,378 shares of common stock also shown as beneficially owned by Mr. Barnett as the co-trustee of a trust.
- Mr. Barnett, Mr. Phillips and Ms. Johnson are Trustees on the ESOP Committee. The ESOP is the record owner of 195,564,925 shares of common stock. For ESOP shares allocated to participants' accounts, the ESOP
- (16) Committee will vote the shares as instructed by participants. The ESOP Committee will vote the shares at its discretion only if no instructions are received from ESOP participants.
- Ms. Johnson is Trustee of the Company's common stock held in the 401(k) Plan which is the record owner of
- (17) 70,072,782 shares of common stock. She has sole voting and shared investment power over these shares, except to the extent of her individual holdings in the 401(k) Plan for which she has sole voting and investment power.
- (18) As a group, the directors and executive officers have sole voting and investment power over 9,354,133 shares of common stock which are held directly, sole voting and investment power over 7,154,551 shares of common stock which are held indirectly, sole voting and shared investment power over 629,828 shares of common stock which are held indirectly, shared voting and investment power over 270,527 shares of common stock which are held directly, shared voting and investment power over 25,518,825 shares of common stock which are held indirectly and no voting and shared investment power over 237,351 shares of common stock which are held indirectly. The

total shares beneficially owned by the directors and executive officers as a group includes the shares of common stock held in the directors' and executive officers' individual ESOP and 401(k) Plan accounts.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Under Section 16 of the Securities Exchange Act of 1934, certain directors, executive officers and stockholders of the Company are required to file reports of stock ownership and changes therein with the SEC. The Company believes that its directors, executive officers and stockholders complied with the Section 16 filing requirements.

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COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

Putnam VT Vista Fund 0 775,635

Total funds

63,204,868 58,250,131

HMLIC Fixed Account*

47,117,236 46,659,398

Horace Mann Educators Corporation Common Stock

5,051,340 4,794,417 \$115,373,444 \$109,703,946

* Represents 5% or more of the Plan's net assets held at year end.

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(Continued)

Horace Mann Supplemental Retirement and Savings Plan

Notes to Financial Statements

December 31, 2010 and 2009

(4) Fair Value of Financial Instruments

Fair Value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. In determining fair value, the Plan utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs that may be used to measure fair value are:

- Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities. Level 1 assets and liabilities include fixed maturity and equity securities (both common stocks and preferred stocks) that are traded in an active exchange market, as well as U.S. Treasury securities.
- Level 2 Unadjusted observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for the assets or liabilities. Level 2 assets and liabilities include fixed maturity securities with quoted prices that are traded less frequently than exchange-traded instruments. This category generally includes certain U.S. Government and agency mortgage-backed securities, non-agency structured securities, corporate fixed maturity securities, and preferred stocks.
- Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation. This category generally includes certain private debt and equity investments.

When the inputs used to measure fair value fall within different levels of the hierarchy, the level within which fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurement in its entirety. As a result, a Level 3 fair value measurement may include inputs that are observable (Level 1 or Level 2) and unobservable (Level 3). Net transfers into or out of Level 3 are reported as having occurred at the end of the reporting period in which the transfers were determined.

Horace Mann Supplemental Retirement and Savings Plan

Notes to Financial Statements

December 31, 2010 and 2009

The following table sets forth by level, within the fair value hierarchy, the Plan's assets carried at fair value in the accompanying Statements of Net Assets Available for Benefits as of December 31, 2010 and 2009.

Assets at Fair value as of December 31, 2010

	Level 1	Level 2	Level 3	Total
HMEC Common Stock	\$ 5,051,340	\$ 0	\$ 0	\$ 5,051,340
Mutual funds				
Index funds	0	3,840,043	0	3,840,043
Balanced funds	0	28,745,219	0	28,745,219
Growth funds	0	19,956,801	0	19,956,801
Fixed Income	0	2,672,036	0	2,672,036
Other funds	0	7,990,769	0	7,990,769
Total mutual funds	0	63,204,868	0	63,204,868
Total investments, at fair value	\$ 5,051,340	\$ 63,204,868	\$ 0	\$ 68,256,208

Assets at Fair value as of December 31, 2009

	Level 1	Level 2	Level 3	Total
HMEC Common Stock	\$ 4,794,417	\$ 0	\$ 0	\$ 4,794,417
Mutual funds	0			
Index funds	0	3,152,822	0	3,152,822
Balanced funds	0	26,320,685	0	26,320,685
Growth funds	0	17,933,763	0	17,933,763
Fixed Income	0	2,308,138	0	2,308,138
Other funds	0	8,534,723	0	8,534,723
Total mutual funds	0	58,250,131	0	58,250,131
Total investments, at fair value	\$ 4,794,417	\$ 58,250,131	\$ 0	\$ 63,044,548

Horace Mann Supplemental Retirement and Savings Plan

Notes to Financial Statements

December 31, 2010 and 2009

(5) Income Tax Status

The Plan has received a determination letter from the Internal Revenue Service (IRS) dated August 21, 2003, 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. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The Plan Administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan, as amended, is qualified and the related trust is tax exempt.

During December 2010, the Plan was amended to comply with the provisions of the Heroes Earnings Assistance and Relief Act (HEART Act) that covers employees who are on active military duty. A plan determination letter request was filed with the Internal Revenue Service on January 21, 2011 related to this amendment.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2010, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan Administrator believes it is no longer subject to income tax examinations for years prior to 2007.

(6) Related Party Transactions

Investment options available to Plan participants include investments in the common stock of the Plan sponsor's parent, HMEC, and investments in annuity contracts guaranteed by HMLIC, a subsidiary of HMEC.

The Parent provides staffing, building space, and supplies at no cost to the Plan.

Supplemental Schedule

EIN: 37-0972590

Plan: 004

Horace Mann Supplemental Retirement and Savings Plan

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

December 31, 2010

Number of Shares or Units	Description of Asset	Current Value
	HMLIC 401(k) Separate Account:	
303,995	Wilshire VIT Equity Fund-HM Shares	\$ 7,191,680
123,888	Fidelity VIP Mid Cap Portfolio	6,257,555
226,909	Wilshire VIT Balanced Fund-HM Shares	5,479,263
70,464	T. Rowe Price Small Cap Value Fund	4,296,072
288,427	Wilshire VIT Small Cap Growth Fund- HM Shares	4,138,468
301,665	Wilshire 5000 Index Portfolio	3,840,043
61,804	T. Rowe Price Small Cap Stock Fund	3,407,933
77,944	Fidelity VIP Growth Portfolio	3,167,358
73,559	Wilshire Large Company Growth Portfolio	3,041,532
290,867	Wilshire VIT Variable Ins Tr 2035 Moderate Fund	2,934,379
195,173	Wilshire VIT International Equity Fund- HM Shares	2,889,068
108,757	Fidelity VIP Overseas Portfolio	2,888,104
116,553	Wilshire VIT Income Fund-HM Shares	2,672,036
126,411	Wilshire VIT Socially Responsible Fund- HM Shares	2,213,597
42,734	Wells Fargo Advantage Opportunity Fund	1,905,438
171,791	Wilshire VIT Variable Ins Tr 2025 Moderate Fund	1,841,465
103,232	Davis Value Portfolio	1,470,876
130,449	Wilshire VIT Variable Ins Tr 2015 Moderate Fund	1,463,414
54,949	Putnam VT Multi-Cap Growth Fund	1,118,211
62,494	J.P. Morgan Insurance Trust US Equity Portfolio	988,376
	Total funds	63,204,868
N/A	HMLIC Fixed Account*	47,117,236
280,008	Horace Mann Educators Corporation Common Stock*	5,051,340
	Notes receivable from participants (450 loans, interest rates ranging from 4.25% to 9.25%, maturing January 15, 2011 to December 31, 2025)	2,205,840
		\$ 117,579,284

*Represents a party-in-interest.

See accompanying report of independent registered public accounting firm.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Pension Plan Committee of the Horace Mann Supplemental Retirement and Savings Plan has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Date 27 June 2011

HORACE MANN SUPPLEMENTAL RETIREMENT
AND SAVINGS PLAN

\s\ Bret A. Conklin
Bret A. Conklin
Senior Vice President and Controller