

Publix®

WHERE SHOPPING IS A PLEASURE®





Dear Stockholders and Associates,

Our founder George Jenkins, affectionately known as Mr. George, believed if you treat associates right, they'll take care of the customer, and the rest will take care of itself. We still believe that today and continually look for ways to build connections with our associates and improve their experiences with Publix. In this report, you'll see how we're bringing Mr. George's philosophy to life through our associates and for the customers and communities we serve.

### **Our associates**

Our associates are the backbone that supports Publix. It's through their efforts and dedication that we're able to continue to be successful.

#### *Starting new chapters*

After 35 years of dedicated service, Chris Litz, Vice President of Product Business Development for Bakery and Meat, retired at the end of May. He led and supported strategic efforts to improve our operations and service to our customers.

After 30 years of dedicated service, Gino DiGrazia, Vice President of Finance, retired at the end of last year. His commitment to helping our retail and support business units understand their operations made us a better company.

After 45 years of dedicated service, Sam Pero, Lakeland Division Vice President, also retired at the end of last year. He trained and mentored countless associates and was committed to serving his customers and communities in times of need.

After 28 years of dedicated service, Linda Kane, Vice President of Benefits Administration and Assistant Secretary, retired at the end of last month. She committed her career to providing a comprehensive and affordable benefits package for our associates and their families.

After 47 years of dedicated service, Chuck Roskovich, Charlotte Division Vice President, announced his decision to retire at the end of this month. He has made significant contributions in almost all of our divisions and has led the way for our new market entry in our Atlanta and Charlotte divisions.

We appreciate the passion and commitment these leaders displayed throughout their careers to make Publix better. We also look forward to what our newly promoted officers — Lakeland Division Vice President Marsha Singh, Vice President of Benefits Administration Monica Allman and Charlotte Division Vice President Joey Riddle — will accomplish as they move forward in their careers.

#### *Improving our company*

We know the best way to build culture and connections is by being together. That's why we were excited to start holding family night and new store opening events again. We also brought together all our store managers and support directors for our retail operations conference, after holding smaller meetings in 2021 due to the pandemic.

Another way we're connecting and improving our company is by sharing ideas through Idea Spot, our internal platform for associate suggestions. We are actively reviewing over 1,000 ideas.

### *Celebrating together*

At our annual meeting last year, we announced the creation of the Carol Jenkins Barnett and Publix Community Service Scholarship. Two Publix associates beginning their freshman year of college this fall are each being awarded \$5,000 toward their education. Through this scholarship, we will celebrate and honor Carol's life and work.

In 2022, we celebrated members of our Publix family with our three highest awards. The George W. Jenkins Award recipients were Curt Epperson, Jenniffer Kras, Steve Myers, Phil Postle, Mark Taggart and Philip Wearsch. The President's Award recipients were Julian Agollari, Nicolla Binford, Kris Crapo, Allie Holberg, Caven Morgan and Dawne Steinbach. The Mr. George Community Service Award recipients were Rhett Bagwell, Stacy Bidwell, Melanie Bonanno, Kelsey Palmer, Ben Robb and Erika Serkin.

We presented 15 pharmacy associates with the Rxcellence Award for excelling in customer service, performance, ownership and teamwork. Drug Store News also named three of our associates to its annual list of Top Women in Health, Wellness & Beauty. The honorees in the Rising Stars category were Jacque Rusch and Julie Lalicon. Kathy Leonard was recognized with the Business Excellence Award for the second year in a row.

Progressive Grocer named five of our associates to its annual Top Women in Grocery list. Renee Kelly received the Senior-Level Executive honor; Donna Huska received the Rising Stars honor; and Store Manager honorees included Christine Lambiase, Jennifer Lomastro and Crystal Marlow.

In August, several of our truck drivers competed in their state's truck driving championships. On top of his win in Florida, Truck Driver David Guinn won his division at the American Trucking Associations' National Truck Driving Championship in Indianapolis.

You can find information on the recognitions our associates received, and more, by visiting our newsroom at [www.publix.com/newsroom](http://www.publix.com/newsroom).

To help recognize our associates' efforts to make Publix a great place to work, we held companywide celebrations and provided associates with Publix gift cards throughout the year. While our associates still received their service award gift during the pandemic, last year, we brought back our luncheons and dinners for those celebrating milestone Publix anniversaries. Associates with five to 15 consecutive years of service enjoyed luncheons in their districts or business areas. Those with 20 or more years of service were honored at dinner events in their divisions.

### **Our customers**

Treating our customers like royalty remains our focus. We continue to explore and implement ways to meet our customers where and how they want to shop with us.

#### *Providing convenience*

In August, we rolled out curbside pickup for prescriptions at our stores with pharmacies in Florida, Georgia, Alabama, North Carolina, South Carolina and Virginia.

In September, we launched the ability for customers to purchase Publix digital gift cards and send them through email for anyone to use at their Publix or online for in-store pickup. They can even be added to their Club Publix wallet for future use.

### *Creating loyalty*

Newsweek magazine recognized Club Publix on its America's Best Loyalty Programs list in the Supermarkets subcategory as well as the Pharmacies and Drugstores subcategory. Launched in 2020, this membership program offers exclusive member perks and personalized content.

While Club Publix helps create personalized experiences online, our retail associates are the ones who create those experiences in our stores. Last year, we recognized one store in each division that excelled at providing premier service with the Customer Service Excellence Award. They were #424, Palm Bay, Florida; #791, Mulberry, Florida; #1508, Moody, Alabama; #1559, Oviedo, Florida; and #1615, Kill Devil Hills, North Carolina.

### **Our communities**

Mr. George believed in the importance of building a thriving community and conserving our resources. We continue to follow his philosophies in being responsible citizens in our communities and intolerant of waste.

### *Feeding our neighbors*

As part of our Feeding More Together campaign, our customers and associates donate at the register, and Publix matches their contributions with an equivalent value of fresh produce. Since the start of this campaign in 2021, we've provided more than 232 million meals to help feed our neighbors in need.

Since 2009 as part of our perishable recovery program, we've given more than 650 million meals to our neighbors in need through Feeding America member food banks and other nonprofit organizations. We continue to evaluate how to give more by analyzing food that is still good to eat but unsalable. We've been able to expand the types of food we're donating, and we've added new methods that can be used to transport the food, allowing for more frequent pickups from our stores.

Last year, during Hunger Action Month in September, Publix Super Markets Charities announced a \$5.65 million donation to 328 food banks and other nonprofit organizations focused on hunger alleviation. In a joint effort, Publix and Publix Charities announced plans to do more good together to alleviate hunger. Publix Charities donated an additional \$3.85 million to 22 Feeding America member food banks for each to purchase and equip a mobile food pantry to help provide fresh food to the people they serve. As part of Publix's investment in our communities, we will provide more than 10 million pounds of produce to stock 20 of the mobile pantries in their first year of operation. Through these collective efforts, individuals will be able to shop these free pantries for the food that meets their needs.

To further support hunger alleviation efforts, nearly 6,300 associates volunteered with more than 200 nonprofit organizations throughout our operating area during our fall Publix Serves Week. And at the end of last month, we hosted a hunger summit with Feeding America member food banks in our operating area. The summit's goal was to provide a forum for open discussion and sharing of best practices in different areas important to their success, including logistics, warehousing and transportation. This was an opportunity to build stronger connections and, together, find better ways to accomplish a united purpose — feeding even more people in need in the communities we serve.

### *Improving the environment*

Mr. George was in a green routine before it was popular, and for decades, we've focused on ways to reduce, reuse and recycle because we know how important it is for our environment. We've focused our sustainability efforts on five pillars: water stewardship, plastics and packaging, energy conservation, landfill diversion and responsible sourcing. We consistently implement initiatives to support those pillars, from evaluating low-irrigation landscaping to working to convert recycled plastic bags to furniture.

Last year, Corkscrew Swamp Sanctuary in the western Everglades and the saline glades region in the eastern section of the Everglades National Park began seeing the effects of a portion of our \$2 million donation — water has returned to areas that needed it, allowing wildlife to survive and thrive in their natural habitat.

For the sixth year in a row, we supported the restoration of damaged Florida watersheds by donating to the Arbor Day Foundation. Our donation allowed for planting 126,000 longleaf pine saplings near north central Florida, areas nearly stripped of trees by Hurricane Michael in 2018. Since 2016, more than 730,000 trees have been planted in four damaged Florida watersheds through our donations.

We also enhanced our commitment to marine life conservation by collaborating with Sustainable Fisheries Partnership (SFP) to analyze and understand current fishing practices within the supply chain. Last year was our 12th year donating to SFP. Over that time, we've contributed more than \$600,000 to support fishery and aquaculture improvement projects and other initiatives to advance the sustainability of seafood. Among other efforts, we were the first U.S. retailer to join with SFP, BirdLife International and Whale and Dolphin Conservation to review and understand the risks from the unintended catch of ocean wildlife within the seafood sourcing supply chain. Publix provided additional support toward efforts to test innovative new fishing gear, improve data collection and increase monitoring to protect sharks, whales and sea turtles.

And last March, more than 6,200 associates throughout our operating area volunteered at more than 220 state parks and other nonprofit organizations focused on environmental sustainability during our spring Publix Serves Week. You will see our efforts again this month as we continue to be responsible citizens in our communities.

#### *Making a difference in lives*

Publix and Publix Charities donated \$200,000 to support the education and well-being of students at 10 colleges and universities in the communities we serve. We collaborated with the United Negro College Fund for the second year, and last year, we provided \$100,000 in scholarships to 50 minority students attending these schools. In addition, Publix donated \$50,000 in food and other products, and Publix Charities donated \$50,000 in funding to support food pantries serving students at the schools.

Owning a home can make all the difference to a family. Publix Charities donated \$5 million to support more than 240 nonprofit housing programs throughout the Southeast, including 126 Habitat for Humanity affiliates.

The generosity that comes from our Publix family is special. Last year, our customers and associates gave nearly \$30 million in total at the register to Children's Miracle Network, Feeding More Together, March of Dimes, Special Olympics and Tools for Back to School. We were also recognized as the March of Dimes' No. 1 corporate partner for the seventh straight year.

Mr. George believed one of the most efficient ways to help our communities was through United Way. Last summer, United Way named Publix its No. 1 Global Corporate Leader for the third year in a row for the total contribution our associates and Publix Charities gave for our 2021 campaign. For our 2022 campaign, our associates pledged \$29.1 million.

#### *Being there when crisis hits*

Being a responsible citizen sometimes comes in times of crisis. Last year, our customers and associates donated more than \$2.3 million at the register to support Red Cross relief efforts in Florida, Kentucky, South Carolina, Puerto Rico, and Ukraine and its neighboring countries. Publix Charities also donated \$1.2 million to the American Red Cross, United Way and other nonprofit organizations to support relief efforts.

I am proud of our associates who work hard to care for our customers, our communities and each other every day.

## **Our accolades**

As company owners, we're most proud of the difference our associates make. Many organizations also see the Publix difference. Here are some highlights:

- *Fortune's* 100 Best Companies to Work For for 25 years — one of four companies to be on the list every year since its inception in 1998.
- PEOPLE's Companies that Care.
- Forbes' America's Best Employers by State for Florida, Georgia, South Carolina, North Carolina, Alabama and Tennessee.
- Newsweek's America's Best Retailers.
- Newsweek's America's Best Customer Service.

## **Our 2022 performance**

In 2022, we achieved sales of \$54.5 billion, a 13.6% increase over 2021. Excluding the impact of unrealized gains and losses on equity securities, our net earnings in 2022 were \$4 billion, up 12.7% from 2021, and earnings per share increased to \$1.20 from \$1.04 the previous year, adjusted for the effect of the stock split. All of these results benefited from 2022 being a 53-week fiscal year. As of March 1, 2023, our stock price was \$14.55 as compared to \$13.76 on March 1, 2022, adjusted for the effect of the stock split.

Our success allowed us to continue to invest in our stores. In 2022, we opened 40 new stores and closed 11 for a net gain of 29. We also remodeled 117 stores.

In September 2021, we announced signing a lease for our first store in Kentucky — our eighth state. Last June, we broke ground on that store, and by the end of 2022, we'd announced our fourth location in the commonwealth — three in Louisville and one in Lexington. And to help support our growth, we began shipping from our new Greensboro, North Carolina, distribution center.

## **Our pride**

What our associates were able to accomplish in 2022 was amazing. I'm proud of the work they do to support each other, their customers and their communities, and I'm sure, as company owners, you are too. Because of our associates' efforts to create experiences our customers want and products they love, Publix can continue to grow. I'm excited about our future and introducing the Publix difference to new associates and new customers.

Thank you for all you do.



Todd Jones  
CEO  
March 1, 2023





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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**  
**FORM 10-K**

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)**  
**OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the fiscal year ended December 31, 2022**

**Commission File Number: 000-00981**

**Publix**  
**PUBLIX SUPER MARKETS, INC.**

(Exact name of Registrant as specified in its charter)

**Florida**

(State of incorporation)

**59-0324412**

(I.R.S. Employer Identification No.)

**3300 Publix Corporate Parkway, Lakeland, Florida**

(Address of principal executive offices)

**33811**

(Zip Code)

**(863) 688-1188**

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act: **None**

Securities registered pursuant to Section 12(g) of the Act: **Common Stock \$1.00 Par Value**

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes  No

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes  No

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the Registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months. Yes  No

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer  Non-accelerated filer

Smaller reporting company  Emerging growth company

If an emerging growth company, indicate by check mark if the Registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the Registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the Registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the Registrant's executive officers during the relevant recovery period pursuant to Section 10D-1(b).

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes  No

The aggregate market value of the common stock held by non-affiliates of the Registrant was approximately \$31,155,000,000 as of June 24, 2022, the last business day of the Registrant's most recently completed second fiscal quarter.

The number of shares of the Registrant's common stock outstanding as of February 7, 2023 was 3,319,000,000.

**Documents Incorporated By Reference**

The information required by Part III of this report, to the extent not set forth herein, is incorporated by reference from the Proxy Statement solicited for the 2023 Annual Meeting of Stockholders to be held on April 18, 2023.

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## PART I

### **Item 1. Business**

Publix Super Markets, Inc. and its wholly owned subsidiaries (Company) are in the business of operating retail food supermarkets in Florida, Georgia, Alabama, South Carolina, Tennessee, North Carolina and Virginia. The Company plans to expand its retail operations into Kentucky in 2023. The Company was founded in 1930 and has no other significant lines of business or industry segments.

#### ***Merchandising and manufacturing***

The Company sells a variety of merchandise which includes grocery (including dairy, produce, floral, deli, bakery, meat and seafood), health and beauty care, general merchandise, pharmacy and other products and services. This merchandise includes nationally advertised and private label brands as well as unbranded products such as produce, meat and seafood. Private label items are produced in the Company's facilities or manufactured for the Company by suppliers. The Company receives the food and nonfood products it sells from many sources. The Company believes its sources of supply for these products and the raw materials used in manufacturing are adequate for its needs and that it is not dependent upon a single supplier or relatively few suppliers. Merchandise is delivered to the supermarkets through Company distribution centers or directly from suppliers and is generally available in sufficient quantities to enable the Company to satisfy its customers. The cost of merchandise delivered to the supermarkets through the Company's distribution centers is approximately 73% of the total product costs. The coronavirus pandemic and supply chain disruptions have impacted the Company's sources of supply and the availability of certain products. However, the Company has generally been able to secure alternative sources of supply to serve the needs of its customers. The future impact of supply chain disruptions on sources of supply and the availability of certain products is uncertain and difficult to predict.

#### ***Store operations***

The Company operated 1,322 supermarkets at the end of 2022, compared with 1,293 at the beginning of the year. In 2022, 40 supermarkets were opened (including eight replacement supermarkets) and 117 supermarkets were remodeled. Eleven supermarkets were closed during the period. The replacement supermarkets that opened in 2022 replaced one supermarket closed in 2022 and seven supermarkets closed in a previous period. Ten supermarkets closed in 2022 will be replaced on site in a subsequent period. Net new supermarkets added 1.4 million square feet in 2022, an increase of 2.2%. At the end of 2022, the Company had 842 supermarkets in Florida, 200 in Georgia, 86 in Alabama, 69 in South Carolina, 55 in Tennessee, 51 in North Carolina and 19 in Virginia. Also, at the end of 2022, the Company had 26 supermarkets under construction in Florida, nine in Georgia, four in Alabama, three in North Carolina, two in South Carolina, two in Tennessee and one in Kentucky.

#### ***Competition***

The Company is engaged in the highly competitive retail food industry. The Company's competitors include traditional supermarkets, such as national and regional supermarket chains and independent supermarkets, as well as nontraditional competitors, such as supercenters, membership warehouse clubs, mass merchandisers, dollar stores, drug stores, specialty food stores, restaurants, convenience stores and online retailers. The Company's ability to attract and retain customers is based primarily on quality of goods and service, price, convenience, product mix and store location.

#### ***Seasonality***

The historical influx of winter residents to Florida and increased purchases of products during the traditional Thanksgiving, Christmas and Easter holidays typically result in seasonal sales increases from November to April of each year.

#### ***Human capital resources***

##### ***Employee ownership***

The Company is the largest employee-owned company in the U.S. with 242,000 employees at the end of 2022. The Company is dedicated to the dignity, value and employment security of its employees and recognizes they are its most important asset and primary competitive advantage. The Company considers its employee relations to be good.

##### ***Career development***

The Company believes in promoting its employees from within and is committed to providing them with many opportunities for advancing their careers. Almost all of the Company's employees in leadership positions began their Publix careers in entry level positions. Continuous on-the-job training plays an important role in helping employees develop the skills necessary to advance their careers. The Company also offers tuition reimbursement designed to encourage and assist eligible associates in continuing their education. Additionally, the Company invests in the development of its employees through training and leadership development programs to support their career advancement.

### *Community involvement*

An important part of the Company's culture is a commitment to community involvement. The Company focuses on helping alleviate hunger in the communities it serves. To reduce food waste and provide nourishing meals for those in need, the Company began a perishable recovery program in 2009. The Company's employees support this program's efforts by gathering perishable foods that are wholesome, but no longer salable, and donating them to food banks and other nonprofit organizations. Since the program's launch, the Company has donated almost 900 million meals to food banks and other nonprofit organizations.

Additionally, the coronavirus pandemic and adverse economic conditions created an increased need for efforts focused on alleviating hunger. In 2020, the Company launched an initiative to purchase produce and milk from local farmers and deliver the products to food banks for those in need. In 2021, the Company extended this commitment by implementing its Feeding More Together program. Through this program, customer donations during register campaigns enable food banks to purchase the nonperishable products they need most. The Company matches the customer donations by purchasing an equivalent dollar value of produce from farmers and donating it to the food banks. As a result, the Company has donated more than 60 million pounds of produce as a part of its initiative to support farmers and food banks. The Company and its employees are also involved in many other community activities and programs in the areas it serves.

### *Intellectual property*

The Company's trademarks, trade names, copyrights and similar intellectual property are important to the success of the Company's business. Numerous trademarks, including "Publix" and "Where Shopping is a Pleasure," have been registered with the U.S. Patent and Trademark Office. Due to the importance of its intellectual property to its business, the Company actively defends and enforces its rights to such property.

### *Government regulation*

The Company is subject to federal, state and local laws and regulations, including environmental laws and regulations that govern activities that may have adverse environmental effects and impose liabilities for the costs of contamination cleanup and damages arising from sites of past spills, disposals or other releases of hazardous materials. The Company may be held responsible for the remediation of environmental conditions regardless of whether the Company leases, subleases or owns the supermarkets or other facilities and regardless of whether such environmental conditions were created by the Company or a prior owner or tenant. In addition to environmental laws and regulations, the Company is subject to federal, state and local laws and regulations relating to, among other things, product labeling and safety, zoning, land use, workplace safety, public health, accessibility and restrictions on the sale of various products, including alcoholic beverages, tobacco and drugs. The Company is also subject to laws and regulations governing its relationship with employees, including minimum wage requirements, overtime, working conditions, disabled access and work permit requirements. Compliance with these laws and regulations had no material effect on capital expenditures, results of operations or the competitive position of the Company.

### *Company information*

The Company's Annual Reports on Form 10-K, Proxy Statements, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and any amendments to those reports may be obtained electronically, free of charge, through the Company's website at [corporate.publix.com/stock](http://corporate.publix.com/stock).

## **Item 1A. Risk Factors**

In addition to the other information contained in this Annual Report on Form 10-K (Annual Report), the following risk factors should be considered carefully in evaluating the Company's business. The Company's financial condition and results of operations could be materially and adversely affected by any of these risks.

### **Industry and Economic Risks**

***Unfavorable impacts of the coronavirus pandemic or any future public health crisis on operations, customers, employees, suppliers and tenants could adversely affect the Company.***

Since the start of the coronavirus pandemic in March 2020, national, state and local authorities have taken, mandated and recommended various preventative measures to mitigate the impact of the pandemic. While many of these preventative measures have been eliminated, the impact of the coronavirus pandemic or any future public health crisis and the preventative measures to mitigate those impacts remains uncertain and difficult to predict.

The Company's operations may be adversely impacted by the fear of exposure to or actual effects of the coronavirus or other public health crisis. These potential impacts include:

- operating cost increases due to changes in customer demand, changes in supermarket processes or increased government regulation;
- delays in the timing of remodels and opening new supermarkets;
- reduced workforce due to illness, quarantine or government mandates impacting the Company's supermarket, distribution, manufacturing and support operations;
- temporary supermarket closings or reduced hours of operation due to reduced workforce, enhanced cleaning processes, increased stocking or government mandates;
- supply chain risks from goods produced in areas of significant outbreak or disruption from suppliers due to financial or operational difficulties;
- reduction in travel, tourism or consumer spending due to government recommendations or mandates, fear of exposure or adverse economic conditions;
- changes in customer demand from discretionary or higher priced products to lower priced products; or
- uncertainty as to future operations of tenants in Company owned shopping centers due to adverse economic conditions.

The extent to which the coronavirus pandemic or other public health crisis will impact the Company is difficult to predict and could adversely affect the Company's financial condition and results of operations.

***Increased competition could adversely affect the Company.***

The Company is engaged in the highly competitive retail food industry. The Company's competitors include traditional supermarkets, such as national and regional supermarket chains and independent supermarkets, as well as nontraditional competitors, such as supercenters, membership warehouse clubs, mass merchandisers, dollar stores, drug stores, specialty food stores, restaurants, convenience stores and online retailers. There has been a trend for traditional supermarkets to lose market share to nontraditional competitors. The Company's ability to attract and retain customers is based primarily on quality of goods and service, price, convenience, product mix and store location. The Company believes it will face increased competition in the future from existing and potentially new competitors. The impact of pricing, purchasing, advertising or promotional decisions made by its competitors as well as competitor format innovation, location additions and changes in service offerings could adversely affect the Company's financial condition and results of operations.

***Adverse economic and other conditions that impact consumer spending could adversely affect the Company.***

The Company's results of operations are sensitive to changes in general economic conditions that impact consumer spending. Adverse economic conditions, including inflation, high unemployment, home foreclosures and weakness in the housing market, declines in the stock market and the instability of the credit markets, could cause a reduction in consumer spending. Other conditions that could reduce consumer spending include increases in tax, interest and inflation rates, increases in fuel and energy costs, increases in health care costs, the impact of natural disasters, public health crises, international conflicts or acts of terrorism, and other factors. Reductions in the level of consumer spending could cause changes in customer demand from discretionary or higher priced products to lower priced products or shift spending to lower priced competitors, which could adversely affect the Company's financial condition and results of operations.

## **Business and Operational Risks**

### ***Increased operating costs could adversely affect the Company.***

The Company's operations tend to be more labor intensive than some of its competitors primarily due to the additional customer service offered in its supermarkets. Consequently, uncertain labor markets, mandated increases in the minimum wage or other benefits, increased wage rates by retailers and other labor market competitors, an increased proportion of full-time employees, increased costs of health care due to health insurance reform or other factors could result in increased labor costs and disproportionately impact the Company in comparison to some of its competitors. The inability to improve or manage operating costs, including labor, distribution, facilities or other non-product related costs, could adversely affect the Company's financial condition and results of operations.

### ***Failure to execute the Company's core strategies could adversely affect the Company.***

The Company's core strategies focus on customer service, product quality, shopping environment, competitive pricing and customer convenience. The Company has implemented several strategic business and technology initiatives as part of the execution of these core strategies. The Company believes these core strategies and related strategic initiatives differentiate it from its competition and present opportunities for sustained market share and financial growth. Failure to execute these core strategies, or failure to execute the core strategies in a cost effective manner, could adversely affect the Company's financial condition and results of operations.

### ***Failure to identify and obtain or retain suitable supermarket sites could adversely affect the Company.***

The Company's ability to obtain sites for new supermarkets is dependent on identifying and entering into lease or purchase agreements on commercially reasonable terms for properties that are suitable for its needs. If the Company fails to identify suitable sites and enter into lease or purchase agreements on a timely basis for any reason, including competition from other companies seeking similar sites, the Company's growth could be adversely affected because it may be unable to open new supermarkets as anticipated. Failure to obtain new sites or retain existing sites for leased supermarkets on commercially reasonable terms could adversely affect the Company's financial condition and results of operations.

## **Information Security and Technology Risks**

### ***Failure to maintain the privacy and security of confidential customer and business information and the resulting unfavorable publicity could adversely affect the Company.***

The Company receives, retains and transmits confidential information about its customers, employees and suppliers and entrusts certain of that information to third party service providers. The Company depends upon the secure transmission of confidential information, including customer payments, over external networks. Additionally, the use of individually identifiable data by the Company and its third party service providers is subject to federal, state and local laws and regulations. Although the Company has continuously invested in its information technology systems and implemented policies and procedures to protect its confidential information, there is no assurance that the Company will successfully defend against an intrusion into or compromise of the Company's information technology systems or those of its third party service providers. An intrusion into or compromise of the Company's information technology systems, or those of its third party service providers, that results in customer, employee or supplier information being obtained by unauthorized persons could adversely affect the Company's reputation with existing and potential customers, employees and others. Such an intrusion or compromise could require expending significant resources related to remediation, lead to legal proceedings and regulatory actions, result in a disruption of operations and adversely affect the Company's financial condition and results of operations.

### ***Disruptions in information technology systems could adversely affect the Company.***

The Company is dependent on complex information technology systems to operate its business, enhance customer service, improve the efficiency of its supply chain and increase employee efficiency. Certain of these information technology systems are hosted by third party service providers. The Company's information technology systems, as well as those of the Company's third party service providers, are subject to damage or interruption from power outages, computer and telecommunication failures, computer viruses, malicious service disruptions, catastrophic events and user errors. Significant disruptions in the information technology systems of the Company or its third party service providers could adversely affect the Company's financial condition and results of operations.

## **Self-insured Claims and Product Liability Risks**

### ***Changes in the factors affecting self-insured claims could adversely affect the Company.***

Claims related to health care, employee benefits, workers' compensation, general liability, property, plant and equipment, fleet liability and directors and officers liability are generally self-insured. The Company uses third party insurance in certain instances to partially mitigate the risk related to these potential losses. While the Company estimates its exposure for these claims and establishes reserves for the estimated liabilities, the actual liabilities could be in excess of these reserves. In addition, the frequency or severity of claims, litigation trends, benefit level changes, or catastrophic events involving property, plant and equipment losses could adversely affect the Company's financial condition and results of operations.

### ***Product liability claims, product recalls and the resulting unfavorable publicity could adversely affect the Company.***

The distribution and sale of grocery, drug and other products purchased from suppliers or manufactured by the Company entails an inherent risk of product liability claims, product recalls and the resulting adverse publicity. Such products may contain contaminants and may be inadvertently sold by the Company. These contaminants may, in certain cases, result in illness, injury or death if processing at the consumer level, if applicable, does not eliminate the contaminants. Sale of contaminated products, even if inadvertent, may be a violation of law and may lead to a product recall and/or an increased risk of exposure to product liability claims asserted against the Company. If a product liability claim is successful and the Company does not have contractual indemnification available, the claim could have an adverse effect on the Company's financial condition and results of operations. In addition, even if a product liability claim is not successful or is not fully pursued, the adverse publicity surrounding any assertion that the Company's products caused illness or injury could have an adverse effect on the Company's reputation with existing and potential customers and on the Company's financial condition and results of operations.

## **Legal and Regulatory Risks**

### ***Unfavorable changes in, failure to comply with or increased costs of complying with environmental laws and regulations could adversely affect the Company.***

The Company is subject to federal, state and local laws and regulations that govern activities that may have adverse environmental effects and impose liabilities for the costs of contamination cleanup and damages arising from sites of past spills, disposals or other releases of hazardous materials. Under current environmental laws and regulations, the Company may be held responsible for the remediation of environmental conditions regardless of whether the Company leases, subleases or owns the supermarkets or other facilities and regardless of whether such environmental conditions were created by the Company or a prior owner or tenant. Environmental conditions relating to prior, existing or future sites may result in substantial remediation costs, business interruption or adverse publicity which could adversely affect the Company's financial condition and results of operations. In addition, the increased focus on climate change, waste management and other environmental issues may result in new environmental laws or regulations that could result in increased compliance costs to the Company, directly or indirectly through its suppliers, which could adversely affect the Company's financial condition and results of operations.

### ***Unfavorable changes in, failure to comply with or increased costs of complying with laws and regulations could adversely affect the Company.***

In addition to environmental laws and regulations, the Company is subject to federal, state and local laws and regulations relating to, among other things, product labeling and safety, zoning, land use, workplace safety, public health, accessibility and restrictions on the sale of various products, including alcoholic beverages, tobacco and drugs. The Company is also subject to laws and regulations governing its relationship with employees, including minimum wage requirements, overtime, working conditions, disabled access and work permit requirements. Increased costs of complying with existing, new or changes in laws and regulations could adversely affect the Company's financial condition and results of operations.

### ***Unfavorable results of legal proceedings could adversely affect the Company.***

The Company is subject from time to time to various lawsuits, claims and charges arising in the normal course of business, including employment, personal injury, commercial and other matters. Some lawsuits also contain class action allegations. The Company estimates its exposure to these legal proceedings and establishes reserves for the estimated liabilities. Assessing and predicting the outcome of these matters involves substantial uncertainties. Differences in actual outcomes, or changes in the Company's assessment and predictions of the outcomes, could adversely affect the Company's financial condition and results of operations.

## **Item 1B. Unresolved Staff Comments**

None

## **Item 2. Properties**

At year end, the Company operated 62.3 million square feet of supermarket space. The Company's supermarkets vary in size. Current supermarket prototypes range from 28,000 to 55,000 square feet. Supermarkets are often located in shopping centers where the Company is the anchor tenant. The majority of the Company's supermarkets are leased. Initial lease terms are typically 20 years followed by five year renewal options. Both the building and land are owned at 393 locations. The building is owned while the land is leased at 79 other locations.

The Company supplies its supermarkets from 10 primary distribution centers in Lakeland, Miami, Jacksonville, Sarasota, Orlando, Deerfield Beach and Boynton Beach, Florida, Lawrenceville, Georgia, McCalla, Alabama and Greensboro, North Carolina. The Company operates six manufacturing facilities, including three dairy plants in Lakeland and Deerfield Beach, Florida and Lawrenceville, Georgia, two bakery plants in Lakeland, Florida and Atlanta, Georgia and a deli plant in Lakeland, Florida. The Company also operates two prepared foods facilities in Lakeland and Deerfield Beach, Florida.

The Company's corporate offices, primary distribution centers and manufacturing facilities are owned with no outstanding debt. The Company's properties are well maintained, in good operating condition and suitable for operating its business.

## **Item 3. Legal Proceedings**

The Company is subject from time to time to various lawsuits, claims and charges arising in the normal course of business. The Company believes its recorded reserves are adequate in light of the probable and estimable liabilities. The estimated amount of reasonably possible losses for lawsuits, claims and charges, individually and in the aggregate, is considered to be immaterial. In the opinion of management, the ultimate resolution of these legal proceedings will not have a material adverse effect on the Company's financial condition, results of operations or cash flows.

## **Item 4. Mine Safety Disclosures**

Not applicable

## **PART II**

## **Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities**

### **(a) Market Information**

The Company's common stock is not traded on an established securities market. Substantially all transactions of the Company's common stock have been among the Company, its employees, former employees, their families and the retirement plans established for the Company's employees. Common stock is made available for sale by the Company only to its current employees and members of its Board of Directors through the Employee Stock Purchase Plan (ESPP) and Non-Employee Directors Stock Purchase Plan (Directors Plan) and to participants of the 401(k) Plan. In addition, common stock is provided to employees through the Employee Stock Ownership Plan (ESOP). The Company currently repurchases common stock subject to certain terms and conditions. The ESPP, Directors Plan, 401(k) Plan and ESOP each contain provisions prohibiting any transfer for value without the owner first offering the common stock to the Company. The Company serves as the registrar and stock transfer agent for its common stock.

Because there is no trading of the Company's common stock on an established securities market, the market price of the Company's common stock is determined by its Board of Directors. As part of the process to determine the market price, an independent valuation is obtained. The process includes comparing the Company's financial results to those of comparable companies that are publicly traded (comparable publicly traded companies). The purpose of the process is to determine a value for the Company's common stock that is comparable to the stock value of comparable publicly traded companies by considering both the results of the stock market and the relative financial results of comparable publicly traded companies.



The market prices for the Company's common stock for 2022 and 2021 were as follows:

	<u>2022</u> <sup>(1)</sup>	<u>2021</u> <sup>(1)</sup>
January - February	\$ 13.28	11.59
March - April	13.76	12.04
May - July	14.91	12.26
August - October	13.84	12.62
November - December	13.19	13.28

**(b) Approximate Number of Equity Security Holders**

As of February 7, 2023, the approximate number of holders of record of the Company's common stock was 226,000.

**(c) Dividends**

The Company paid quarterly dividends per share on its common stock in 2022 and 2021 as follows:

<u>Quarter</u>	<u>2022</u> <sup>(1)</sup>	<u>2021</u> <sup>(1)</sup>
First	\$ 0.074	0.064
Second	0.090	0.074
Third	0.090	0.074
Fourth	0.090	0.074
	<u>\$ 0.344</u>	<u>0.286</u>

Payment of dividends is within the discretion of the Board of Directors and depends on, among other factors, net earnings, capital requirements and the financial condition of the Company. However, the Company intends to continue to pay comparable dividends to stockholders in the future.

**(d) Purchases of Equity Securities by the Issuer**

**Issuer Purchases of Equity Securities**

Shares of common stock repurchased by the Company during the three months ended December 31, 2022 were as follows (amounts are in millions, except per share amounts):

<u>Period</u>	<u>Total Number of Shares Purchased</u>	<u>Average Price Paid per Share</u>	<u>Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs</u> <sup>(2)</sup>	<u>Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs</u> <sup>(2)</sup>
September 25 - October 29, 2022	11	\$13.84	N/A	N/A
October 30 - November 26, 2022	22	13.19	N/A	N/A
November 27 - December 31, 2022	3	13.19	N/A	N/A
Total	<u>36</u>	<u>\$13.38</u>	N/A	N/A

(1) Retroactively adjusted to give effect to the 5-for-1 stock split in April 2022. For a more detailed description, refer to Note 1(m) Stock Split in the Notes to Consolidated Financial Statements.

(2) Common stock is made available for sale by the Company only to its current employees and members of its Board of Directors through the ESPP and Directors Plan and to participants of the 401(k) Plan. In addition, common stock is provided to employees through the ESOP. The Company currently repurchases common stock subject to certain terms and conditions. The ESPP, Directors Plan, 401(k) Plan and ESOP each contain provisions prohibiting any transfer for value without the owner first offering the common stock to the Company.

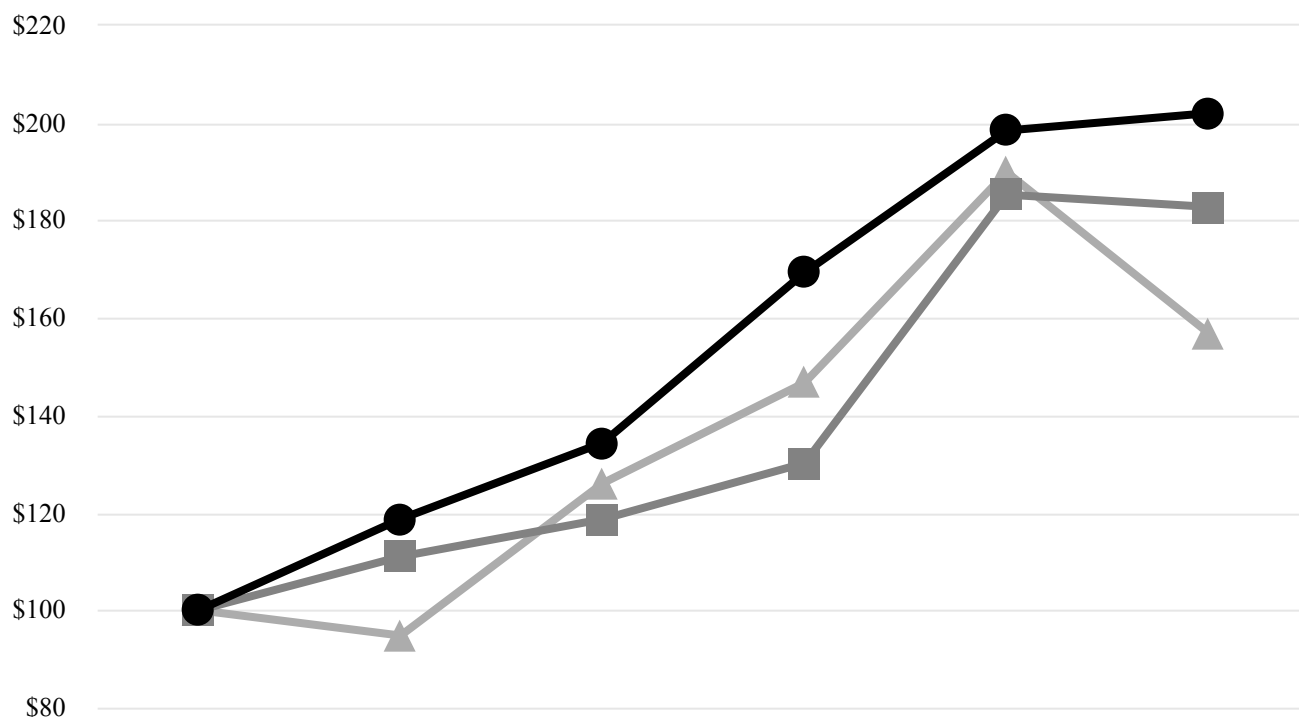
The Company's common stock is not traded on an established securities market. The amount of common stock offered to the Company for repurchase is not within the control of the Company, but is at the discretion of the stockholders. The Company does not believe that these repurchases of its common stock are within the scope of a publicly announced plan or program (although the terms of the plans discussed above have been communicated to the participants). Thus, the Company does not believe that it has made any repurchases during the three months ended December 31, 2022 required to be disclosed in the last two columns of the table.

**(e) Performance Graph**

The following performance graph sets forth the Company’s cumulative total stockholder return during the five years ended December 31, 2022, compared to the cumulative total return on the S&P 500 Index and a custom Peer Group Index including retail food supermarket companies.<sup>(1)</sup> The Peer Group Index is weighted based on the various companies’ market capitalization. The comparison assumes \$100 was invested at the end of 2017 in the Company’s common stock and in each of the related indices and assumes reinvestment of dividends.

The Company’s common stock is valued as of the end of each fiscal quarter. After the end of a quarter, however, shares continue to be traded at the prior valuation until the new valuation is received. The cumulative total return for the companies represented in the S&P 500 Index and the custom Peer Group Index is based on those companies’ trading price as of the Company’s fiscal year end. The following performance graph is based on the Company’s trading price at fiscal year end based on its market price as of the prior fiscal quarter. For comparative purposes, a performance graph based on the Company’s fiscal year end valuation (market price as of March 1, 2023) is provided in the 2023 Proxy Statement. Past stock performance shown below is no guarantee of future performance.

**Comparison of Five Year Cumulative Return Based Upon Fiscal Year End Trading Price**



	2017	2018	2019	2020	2021	2022
● Publix	\$100.00	118.73	134.37	169.32	198.47	202.04
▲ S&P 500	100.00	94.80	126.06	146.72	189.92	156.88
■ Peer Group <sup>(1)</sup>	100.00	111.02	118.70	130.20	185.31	182.80

(1) Companies included in the Peer Group are Ahold Delhaize, Albertsons, Kroger and Weis Markets. Albertsons is included in the Peer Group for 2021 and 2022 due to its initial public offering in 2020.

**Item 6. Reserved****Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations**

The objective of this section is to provide a summary of material information relevant to enhancing the stockholders' understanding of the financial condition and results of operations of the Company. Following is an analysis of the financial condition and results of operations of the Company for 2022 and 2021 as compared with the previous years. This information should be read in conjunction with the Company's consolidated financial statements and accompanying notes.

On April 1, 2022, the Company filed Articles of Amendment to its Restated Articles of Incorporation in order to effect a 5-for-1 stock split of the Company's common stock, effective as of the close of business April 14, 2022. All applicable data, including share and per share amounts, have been retroactively adjusted to give effect to the stock split.

**Overview**

The Company is engaged in the retail food industry, operating supermarkets in Florida, Georgia, Alabama, South Carolina, Tennessee, North Carolina and Virginia. The Company plans to expand its retail operations into Kentucky in 2023. The Company has no other significant lines of business or industry segments. As of December 31, 2022, the Company operated 1,322 supermarkets including 842 in Florida, 200 in Georgia, 86 in Alabama, 69 in South Carolina, 55 in Tennessee, 51 in North Carolina and 19 in Virginia. In 2022, 40 supermarkets were opened (including eight replacement supermarkets) and 117 supermarkets were remodeled. During 2022, the Company opened 22 supermarkets in Florida, seven in Georgia, four in Alabama, four in South Carolina and three in Tennessee. Eleven supermarkets were closed during the period. The replacement supermarkets that opened in 2022 replaced one supermarket closed in 2022 and seven supermarkets closed in a previous period. Ten supermarkets closed in 2022 will be replaced on site in a subsequent period. In the normal course of operations, the Company replaces supermarkets and closes supermarkets that are not meeting performance expectations. The impact of future supermarket closings is not expected to be material.

The Company sells a variety of merchandise to generate revenues. This merchandise includes grocery (including dairy, produce, floral, deli, bakery, meat and seafood), health and beauty care, general merchandise, pharmacy and other products and services. Merchandise includes nationally advertised and private label brands as well as unbranded products such as produce, meat and seafood. The Company's private label brands play an important role in its merchandising strategy.

Profit is generated by selling merchandise at price levels that produce sales in excess of the cost of merchandise sold and operating and administrative expenses. The Company has generally been able to increase revenues and operating profit from year to year. Further, the Company has been able to meet its cash requirements from internally generated funds without the need for debt financing. The Company's year end cash balances are impacted by its operating results as well as by capital expenditures, investment transactions, common stock repurchases and dividend payments.

**Operating Environment**

The Company is engaged in the highly competitive retail food industry. The Company's competitors include traditional supermarkets, such as national and regional supermarket chains and independent supermarkets, as well as nontraditional competitors, such as supercenters, membership warehouse clubs, mass merchandisers, dollar stores, drug stores, specialty food stores, restaurants, convenience stores and online retailers. There has been a trend for traditional supermarkets to lose market share to nontraditional competitors. The Company's ability to attract and retain customers is based primarily on quality of goods and service, price, convenience, product mix and store location. In addition, the Company competes with other companies for new retail sites. To meet the challenges of this highly competitive environment, the Company continues to focus on its core strategies, including customer service, product quality, shopping environment, competitive pricing and customer convenience. The Company has implemented several strategic business and technology initiatives as part of the execution of these core strategies. The Company believes these core strategies and related strategic initiatives differentiate it from its competition and present opportunities for sustained market share and financial growth.

**Coronavirus Pandemic**

Since the start of the coronavirus pandemic in March 2020, national, state and local authorities have taken, mandated and recommended various preventative measures to mitigate the impact of the pandemic. While many of these preventative measures have been eliminated, the impact of the coronavirus pandemic or any future public health crisis and the preventative measures to mitigate those impacts remains uncertain and difficult to predict. It remains a top priority of the Company to continue to serve its customers in a way that protects the health and safety of its employees and customers.

## **Results of Operations**

The Company's fiscal year ends on the last Saturday in December. Fiscal year 2022 includes 53 weeks and fiscal years 2021 and 2020 include 52 weeks.

### ***Sales***

Sales for 2022 were \$54.5 billion as compared with \$48.0 billion in 2021, an increase of \$6.5 billion or 13.6%. The increase in sales for 2022 as compared with 2021 was primarily due to new supermarket sales, a 9.9% increase in comparable store sales (supermarkets open for the same weeks in both periods, including replacement supermarkets) and a 2.1% increase in sales from the additional week in 2022. Comparable store sales for 2022 increased primarily due to the impact of inflation on product costs. Sales for supermarkets that are replaced on site are classified as new supermarket sales since the replacement period for the supermarket is generally 9 to 12 months.

Sales for 2021 were \$48.0 billion as compared with \$44.9 billion in 2020, an increase of \$3.1 billion or 7.0%. The increase in sales for 2021 as compared with 2020 was primarily due to new supermarket sales and a 5.4% increase in comparable store sales. Comparable store sales for 2021 increased primarily due to the impact of inflation on product costs.

### ***Gross profit***

Gross profit (sales less cost of merchandise sold) as a percentage of sales was 26.8%, 27.4% and 27.9% in 2022, 2021 and 2020, respectively. Excluding the last-in, first-out (LIFO) reserve effect of \$147 million, \$109 million and \$20 million in 2022, 2021 and 2020, respectively, gross profit as a percentage of sales would have been 27.0%, 27.7% and 27.9% in 2022, 2021 and 2020, respectively. After excluding the LIFO reserve effect, the decrease in gross profit as a percentage of sales for 2022 as compared with 2021 was primarily due to the impact of inflation on product costs which was not passed on to customers and increased shrink. After excluding the LIFO reserve effect, the decrease in gross profit as a percentage of sales for 2021 as compared with 2020 was primarily due to increased shrink and distribution costs.

### ***Operating and administrative expenses***

Operating and administrative expenses as a percentage of sales were 18.8%, 19.6% and 19.7% in 2022, 2021 and 2020, respectively. The decrease in operating and administrative expenses as a percentage of sales for 2022 as compared with 2021 was primarily due to decreases in payroll costs as a percentage of sales and facility costs as a percentage of sales. In addition, operating and administrative expenses as a percentage of sales benefited from the impact of the incremental sales from the additional week in 2022. Operating and administrative expenses as a percentage of sales for 2021 as compared with 2020 remained relatively unchanged.

### ***Operating profit***

Operating profit as a percentage of sales was 8.7% in 2022 and 2021 and 8.9% in 2020. Operating profit as a percentage of sales for 2022 as compared with 2021 remained relatively unchanged primarily due to the decrease in operating and administrative expenses as a percentage of sales and the incremental profit from the additional week in 2022, offset by the decrease in gross profit as a percentage of sales. The decrease in operating profit as a percentage of sales for 2021 as compared with 2020 was primarily due to the decrease in gross profit as a percentage of sales, partially offset by the decrease in operating and administrative expenses as a percentage of sales.

### ***Investment income (loss)***

Investment loss for 2022 was \$1.3 billion as compared with investment income for 2021 and 2020 of \$1.3 billion and \$975 million, respectively. Excluding the impact of net unrealized losses on equity securities in 2022 and net unrealized gains on equity securities in 2021 and 2020, investment income would have been \$254 million, \$230 million and \$596 million for 2022, 2021 and 2020, respectively. Excluding the impact of net unrealized losses on equity securities in 2022 and net unrealized gains on equity securities in 2021, the increase in investment income for 2022 as compared with 2021 was primarily due to an increase in interest and dividend income, partially offset by a net realized loss on investments in 2022 as compared with a net realized gain on investments in 2021. Excluding the impact of net unrealized gains on equity securities, the decrease in investment income for 2021 as compared with 2020 was primarily due to the decrease in net realized gains on investments.

### ***Income tax expense***

The effective income tax rate was 18.6%, 20.6% and 21.1% in 2022, 2021 and 2020, respectively. The decrease in the effective income tax rate for 2022 as compared with 2021 was primarily due to the increased impact of permanent deductions and credits relative to earnings before income tax expense, partially offset by an increase in state income tax rates and a decrease in investment related tax credits. The decrease in the effective income tax rate for 2021 as compared with 2020 was primarily due to a reduction in state income tax rates and an increase in investment related tax credits.

### **Net earnings**

Net earnings were \$2.9 billion or \$0.86 per share, \$4.4 billion or \$1.28 per share and \$4.0 billion or \$1.13 per share in 2022, 2021 and 2020, respectively. Net earnings as a percentage of sales were 5.4%, 9.2% and 8.9% in 2022, 2021 and 2020, respectively. Excluding the impact of net unrealized losses on equity securities in 2022 and net unrealized gains on equity securities in 2021 and 2020, net earnings would have been \$4.0 billion or \$1.20 per share and 7.4% as a percentage of sales for 2022, \$3.6 billion or \$1.04 per share and 7.5% as a percentage of sales for 2021 and \$3.7 billion or \$1.05 per share and 8.2% as a percentage of sales for 2020. Excluding the impact of net unrealized losses on equity securities in 2022 and net unrealized gains on equity securities in 2021, net earnings as a percentage of sales for 2022 as compared with 2021 remained relatively unchanged. Excluding the impact of net unrealized gains on equity securities, the decrease in net earnings as a percentage of sales for 2021 as compared with 2020 was primarily due to the decrease in operating profit as a percentage of sales and net realized gains on investments.

### **Non-GAAP Financial Measures**

In addition to reporting financial results for 2022, 2021 and 2020 in accordance with U.S. generally accepted accounting principles (GAAP), the Company presents net earnings and earnings per share excluding the impact of equity securities being measured at fair value with net unrealized gains and losses from changes in the fair value recognized in earnings (fair value adjustment). These measures are not in accordance with, or an alternative to, GAAP. The Company excludes the impact of the fair value adjustment since it is primarily due to temporary equity market fluctuations that do not reflect the Company's operations. The Company believes this information is useful in providing period-to-period comparisons of the results of operations. Following is a reconciliation of net earnings to net earnings excluding the impact of the fair value adjustment for 2022, 2021 and 2020:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
	(Amounts are in millions, except per share amounts)		
Net earnings	\$ 2,918	4,412	3,972
Fair value adjustment, due to net unrealized loss (gain), on equity securities held at end of year	1,516	(1,109)	(555)
Net gain on sale of equity securities previously recognized through fair value adjustment	—	9	176
Income tax (benefit) expense <sup>(1)</sup>	<u>(385)</u>	<u>280</u>	<u>96</u>
Net earnings excluding impact of fair value adjustment	<u>\$ 4,049</u>	<u>3,592</u>	<u>3,689</u>
Weighted average shares outstanding	<u>3,379</u>	<u>3,447</u>	<u>3,503</u>
Earnings per share excluding impact of fair value adjustment	<u>\$ 1.20</u>	<u>1.04</u>	<u>1.05</u>

<sup>(1)</sup> Income tax (benefit) expense is based on the Company's combined federal and state statutory income tax rates.

## **Liquidity and Capital Resources**

Cash and cash equivalents, short-term investments and long-term investments totaled \$12.9 billion as of December 31, 2022, as compared with \$14.8 billion as of December 25, 2021. The decrease was primarily due to the decrease in the fair value of investments.

### ***Net cash provided by operating activities***

Net cash provided by operating activities was \$5.5 billion in 2022 and \$5.4 billion in 2021 and 2020. The increase in net cash provided by operating activities for 2022 as compared with 2021 was primarily due to the deferral in 2022 of income tax payments due to Hurricane Ian, partially offset by the payment in 2022 of payroll taxes that were deferred under a coronavirus tax relief provision in 2020. Net cash provided by operating activities for 2021 as compared with 2020 remained relatively unchanged primarily due to the deferral in 2020 of payroll tax payments under a coronavirus tax relief provision and the timing of payments for merchandise, offset by the increase in sales.

### ***Net cash used in investing activities***

Net cash used in investing activities was \$2.3 billion, \$3.0 billion and \$3.4 billion in 2022, 2021 and 2020, respectively. The primary use of net cash in investing activities for 2022 was funding capital expenditures and net increases in investments. Capital expenditures for 2022 totaled \$1.8 billion. These expenditures were incurred in connection with the opening of 40 supermarkets (including eight replacement supermarkets) and the remodeling of 117 supermarkets. Expenditures were also incurred for new supermarkets and remodels in progress, construction or expansion of warehouses and new or enhanced information technology hardware and software. In 2022, the payment for investments, net of the proceeds from the sale and maturity of investments, was \$549 million. The primary use of net cash in investing activities for 2021 was funding capital expenditures and net increases in investments. Capital expenditures for 2021 totaled \$1.3 billion. These expenditures were incurred in connection with the opening of 45 supermarkets (including 10 replacement supermarkets) and the remodeling of 134 supermarkets. Expenditures were also incurred for new supermarkets and remodels in progress, construction or expansion of warehouses and new or enhanced information technology hardware and software. In 2021, the payment for investments, net of the proceeds from the sale and maturity of investments, was \$1.8 billion.

### ***Net cash used in financing activities***

Net cash used in financing activities was \$3.0 billion, \$1.9 billion and \$2.1 billion in 2022, 2021 and 2020, respectively. The primary use of net cash in financing activities was funding net common stock repurchases and dividend payments. Net common stock repurchases totaled \$1.8 billion, \$874 million and \$1.2 billion in 2022, 2021 and 2020, respectively. The Company currently repurchases common stock at the stockholders' request in accordance with the terms of the ESPP, Directors Plan, 401(k) Plan and ESOP. The amount of common stock offered to the Company for repurchase is not within the control of the Company, but is at the discretion of the stockholders. The Company expects to continue to repurchase its common stock, as offered by its stockholders from time to time, at its then current value. However, with the exception of certain shares distributed from the ESOP, such purchases are not required and the Company retains the right to discontinue them at any time.

### ***Dividends***

The Company paid quarterly dividends on its common stock totaling \$1.2 billion or \$0.344 per share, \$987 million or \$0.286 per share and \$884 million or \$0.252 per share in 2022, 2021 and 2020, respectively.

### ***Capital expenditures projection***

Capital expenditures for 2023 are expected to be approximately \$2.3 billion, primarily related to new supermarkets, remodeling existing supermarkets, construction or expansion of warehouses, new or enhanced information technology hardware and software and the acquisition or development of shopping centers in which the Company operates. The shopping center acquisitions are financed with internally generated funds and assumed debt, if prepayment penalties for the debt are determined to be significant. This capital program is subject to continuing change and review.

### ***Contractual obligations***

The Company's contractual obligations arising in the normal course of business primarily include operating and finance leases, lease related commitments, purchase obligations, self-insurance reserves and long-term debt. Lease related commitments include real estate taxes, insurance and maintenance related to operating and finance leases and commitments for lease agreements that have not yet commenced. Lease related commitments are typically due over the applicable lease term. Purchase obligations include agreements to purchase goods or services that are enforceable and legally binding on the Company and that specify all significant terms, including fixed or minimum quantities to be purchased, fixed, minimum or variable price provisions and the approximate timing of the transaction. Purchase obligations are typically due in one year or less.

### ***Cash requirements***

In 2023, cash requirements for operations, capital expenditures, common stock repurchases and dividend payments are expected to be financed by internally generated funds or liquid assets. Based on the Company's financial position, it is expected that short-term and long-term borrowings would be available to support the Company's liquidity requirements, if needed.

### **Critical Accounting Estimates**

The Company's discussion and analysis of its financial condition and results of operations are based upon the Company's consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The Company's significant accounting policies are described in Note 1 in the Notes to Consolidated Financial Statements. The Company believes the following involves significant estimates and judgments in the preparation of its consolidated financial statements.

### ***Self-insurance reserves***

Self-insurance reserves are established for health care, workers' compensation, general liability and fleet liability claims. These reserves are determined based on actual claims experience and an estimate of claims incurred but not reported including, where necessary, actuarial studies. The Company believes that the use of actuarial studies to determine self-insurance reserves represents a consistent method of measuring these subjective estimates. Actuarial projections of losses for general liability and workers' compensation claims are discounted and subject to variability. The causes of variability include, but are not limited to, such factors as future interest and inflation rates, future economic conditions, claims experience, litigation trends and benefit level changes. Historically, there have not been significant changes in the factors and assumptions used in the valuation of the self-insurance reserves. However, significant changes in such factors and assumptions could materially impact the valuation of the self-insurance reserves.

### **Forward-Looking Statements**

Certain information provided by the Company in this Annual Report may be forward-looking information as defined in Section 21E of the Securities Exchange Act of 1934 (Exchange Act). Forward-looking information includes statements about the future performance of the Company and is based on management's assumptions and beliefs in light of the information currently available to them. When used, the words "plan," "estimate," "project," "intend," "expect," "believe," "will" and other similar expressions, as they relate to the Company, are intended to identify such forward-looking statements. These forward-looking statements are subject to uncertainties and other factors that could cause actual results to differ materially from those statements including, but not limited to, competitive practices and pricing in the food and drug industries generally and particularly in the Company's principal markets; results of programs to increase sales, including private label sales; results of programs to control or reduce costs; changes in buying, pricing and promotional practices; changes in shrink management; supply chain disruptions; changes in the general economy, including an economic downturn associated with inflation, the coronavirus pandemic, international conflicts, acts of terrorism or other disruptions; changes in consumer spending; changes in population, employment and job growth in the Company's principal markets; impacts of a public health crisis, geopolitical conditions or other significant catastrophic events; impacts of an intrusion into, compromise of or disruption in the Company's information technology systems; and other factors affecting the Company's business within or beyond the Company's control. These factors include changes in the rate of inflation; changes in federal, state and local laws and regulations; adverse determinations with respect to litigation or other claims; ability to recruit and retain employees; ability to construct new supermarkets or complete remodels as rapidly as planned; increases in product costs; and increases in operating costs including, but not limited to, labor, fuel and energy costs, debit and credit card fees and pharmacy fees. Other factors and assumptions not identified above could also cause the actual results to differ materially from those set forth in the forward-looking statements. Except as may be required by applicable law, the Company assumes no obligation to publicly update these forward-looking statements.

**Item 7A. Quantitative and Qualitative Disclosures About Market Risk**

The Company does not utilize financial instruments for trading or other speculative purposes, nor does it utilize leveraged financial instruments.

Cash equivalents and short-term investments are subject to interest rate risk and credit risk. Most of the cash equivalents and short-term investments are held in money market investments and debt securities that mature in less than one year. Due to the quality of the short-term investments held, the Company does not expect the valuation of these investments to be significantly impacted by future market conditions.

Debt securities are subject to interest rate risk and credit risk. Debt securities held by the Company at year end primarily consisted of corporate, government-sponsored agency, state and municipal bonds with high credit ratings; therefore, the Company believes the credit risk is low. The Company believes a 50 basis point increase in interest rates would result in an immaterial unrealized loss on its debt securities. Since the Company does not intend to sell its debt securities or will likely not be required to sell its debt securities prior to any anticipated recovery, such a hypothetical temporary unrealized loss would impact comprehensive earnings, but not earnings or cash flows.

Equity securities are subject to equity price risk that results from fluctuations in quoted market prices as of the balance sheet date. Market price fluctuations may result from perceived changes in the underlying economic characteristics of the issuer, the relative price of alternative investments and general market conditions. Due to equity securities being measured at fair value with net unrealized gains and losses from changes in the fair value recognized in earnings, fluctuations in quoted market prices for equity securities will impact earnings. A decrease of 10% in the value of the Company's equity securities would result in an unrealized loss of approximately \$250 million recognized in earnings, but would not impact cash flows.



## Item 8. Financial Statements and Supplementary Data

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## Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors  
Publix Super Markets, Inc.:

### *Opinion on the Consolidated Financial Statements*

We have audited the accompanying consolidated balance sheets of Publix Super Markets, Inc. and subsidiaries (the Company) as of December 31, 2022 and December 25, 2021, the related consolidated statements of earnings, comprehensive earnings, cash flows and stockholders' equity for each of the years in the three-year period ended December 31, 2022, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and December 25, 2021, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2022, in conformity with U.S. generally accepted accounting principles.

### *Basis for Opinion*

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated 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 Company 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 consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

*Critical Audit Matter*

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

*Evaluation of self-insurance reserves*

As discussed in Note 1(k) to the consolidated financial statements, the Company estimates its self-insurance reserves for workers' compensation and general liability exposures by considering historical claims experience and actuarial analyses using actuarial assumptions and generally accepted actuarial methods. The self-insurance reserves balance as of December 31, 2022 of \$478 million includes the self-insurance reserves related to workers' compensation and general liability. The Company engages actuaries to estimate its workers' compensation and general liability self-insurance reserves at least annually.

We identified the evaluation of the Company's workers' compensation and general liability self-insurance reserves as a critical audit matter because of the specialized skills necessary to evaluate the Company's loss development factor assumptions and the selection of the actuarial projections derived from various actuarial methods.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design of certain internal controls related to the workers' compensation and general liability self-insurance reserves. This included controls related to the loss development factor assumptions used to estimate the actuarial projections and the selection of the actuarial projections derived from various actuarial methods. We involved actuarial professionals with specialized skills and knowledge who assisted in:

- Assessing the actuarial methods used by the Company for consistency with generally accepted actuarial standards;
- Evaluating the Company's ability to estimate self-insurance reserves by comparing its historical estimates with actual incurred losses; and
- Evaluating the loss development factor assumptions and the actuarial projections by developing an independent expectation of the workers' compensation and general liability self-insurance reserves and comparing them to the amounts recorded by the Company.

/s/ KPMG LLP

We have served as the Company's auditor since 1961.

Tampa, Florida  
March 1, 2023

**PUBLIX SUPER MARKETS, INC.**  
**Consolidated Balance Sheets**  
**December 31, 2022 and**  
**December 25, 2021**

	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>	(Amounts are in millions)	
Current assets:		
Cash and cash equivalents	\$ 1,336	1,132
Short-term investments	566	883
Trade receivables	1,106	904
Inventories	2,341	2,054
Prepaid expenses	74	132
Total current assets	<u>5,423</u>	<u>5,105</u>
Long-term investments	10,992	12,768
Other noncurrent assets	561	445
Operating lease right-of-use assets	2,979	2,950
Property, plant and equipment:		
Land	2,319	2,122
Buildings and improvements	7,130	6,309
Furniture, fixtures and equipment	6,567	6,114
Leasehold improvements	1,875	1,825
Finance lease right-of-use assets	582	548
Construction in progress	215	387
	<u>18,688</u>	<u>17,305</u>
Accumulated depreciation	<u>(7,596)</u>	<u>(7,049)</u>
Net property, plant and equipment	<u>11,092</u>	<u>10,256</u>
	<u>\$ 31,047</u>	<u>31,524</u>

See accompanying notes to consolidated financial statements.

	<u>2022</u>	<u>2021</u>
<b>LIABILITIES AND EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 2,812	2,595
Accrued expenses:		
Contributions to retirement plans	687	661
Self-insurance reserves	210	191
Salaries and wages	205	216
Other	637	765
Current portion of long-term debt	36	39
Current portion of operating lease liabilities	359	355
Income taxes	226	—
Total current liabilities	<u>5,172</u>	<u>4,822</u>
Deferred income taxes	575	1,031
Self-insurance reserves	268	249
Long-term debt	43	98
Operating lease liabilities	2,573	2,570
Finance lease liabilities	423	411
Other noncurrent liabilities	141	305
Total liabilities	<u>9,195</u>	<u>9,486</u>
Common stock related to Employee Stock Ownership Plan (ESOP)	<u>4,029</u>	<u>3,825</u>
Stockholders' equity:		
Common stock of \$1 par value. Authorized 4,000 shares; issued and outstanding 3,324 shares in 2022 and 3,418 shares in 2021	3,324	3,418
Additional paid-in capital	1,687	1,426
Retained earnings	17,413	17,156
Accumulated other comprehensive losses	(609)	(5)
Common stock related to ESOP	(4,029)	(3,825)
Total stockholders' equity	<u>17,786</u>	<u>18,170</u>
Noncontrolling interests	<u>37</u>	<u>43</u>
Total equity	<u>21,852</u>	<u>22,038</u>
Commitments and contingencies	<u>—</u>	<u>—</u>
	<u>\$ 31,047</u>	<u>31,524</u>

**PUBLIX SUPER MARKETS, INC.**  
**Consolidated Statements of Earnings**  
**Years ended December 31, 2022, December 25, 2021**  
**and December 26, 2020**

	<u>2022</u>	<u>2021</u>	<u>2020</u>
	(Amounts are in millions, except per share amounts)		
Revenues:			
Sales	\$ 54,534	47,997	44,864
Other operating income	<u>408</u>	<u>397</u>	<u>340</u>
Total revenues	<u>54,942</u>	<u>48,394</u>	<u>45,204</u>
Costs and expenses:			
Cost of merchandise sold	39,938	34,828	32,355
Operating and administrative expenses	<u>10,245</u>	<u>9,413</u>	<u>8,837</u>
Total costs and expenses	<u>50,183</u>	<u>44,241</u>	<u>41,192</u>
Operating profit	4,759	4,153	4,012
Investment (loss) income	(1,262)	1,330	975
Other nonoperating income, net	<u>89</u>	<u>77</u>	<u>50</u>
Earnings before income tax expense	3,586	5,560	5,037
Income tax expense	<u>668</u>	<u>1,148</u>	<u>1,065</u>
Net earnings	<u>\$ 2,918</u>	<u>4,412</u>	<u>3,972</u>
Weighted average shares outstanding	<u>3,379</u>	<u>3,447</u>	<u>3,503</u>
Earnings per share	<u>\$ 0.86</u>	<u>1.28</u>	<u>1.13</u>

See accompanying notes to consolidated financial statements.

**PUBLIX SUPER MARKETS, INC.**  
**Consolidated Statements of Comprehensive Earnings**  
**Years ended December 31, 2022, December 25, 2021**  
**and December 26, 2020**

	<u>2022</u>	<u>2021</u>	<u>2020</u>
	(Amounts are in millions)		
Net earnings	\$ 2,918	4,412	3,972
Other comprehensive earnings:			
Unrealized (loss) gain on debt securities net of income taxes of \$(214), \$(68) and \$47 in 2022, 2021 and 2020, respectively.	(626)	(201)	139
Reclassification adjustment for net realized loss (gain) on debt securities net of income taxes of \$1, \$(5) and \$(5) in 2022, 2021 and 2020, respectively.	1	(16)	(13)
Adjustment to postretirement benefit obligation net of income taxes of \$7, \$3 and \$(2) in 2022, 2021 and 2020, respectively.	21	11	(6)
Comprehensive earnings	<u>\$ 2,314</u>	<u>4,206</u>	<u>4,092</u>

See accompanying notes to consolidated financial statements.

**PUBLIX SUPER MARKETS, INC.**  
**Consolidated Statements of Cash Flows**  
**Years ended December 31, 2022, December 25, 2021**  
**and December 26, 2020**

	<u>2022</u>	<u>2021</u>	<u>2020</u>
	(Amounts are in millions)		
Cash flows from operating activities:			
Cash received from customers	\$ 54,598	48,183	44,886
Cash paid to employees and suppliers	(48,767)	(42,234)	(38,845)
Income taxes paid	(520)	(712)	(790)
Self-insured claims paid	(507)	(494)	(384)
Dividends and interest received	330	275	242
Other operating cash receipts	406	394	336
Other operating cash payments	<u>(36)</u>	<u>(23)</u>	<u>(21)</u>
Net cash provided by operating activities	<u>5,504</u>	<u>5,389</u>	<u>5,424</u>
Cash flows from investing activities:			
Payment for capital expenditures	(1,768)	(1,288)	(1,228)
Proceeds from sale of property, plant and equipment	22	15	10
Payment for investments	(2,061)	(3,297)	(5,357)
Proceeds from sale and maturity of investments	<u>1,512</u>	<u>1,538</u>	<u>3,147</u>
Net cash used in investing activities	<u>(2,295)</u>	<u>(3,032)</u>	<u>(3,428)</u>
Cash flows from financing activities:			
Payment for acquisition of common stock	(2,137)	(1,137)	(1,440)
Proceeds from sale of common stock	382	263	250
Dividends paid	(1,166)	(987)	(884)
Repayment of long-term debt	(77)	(38)	(29)
Other, net	<u>(7)</u>	<u>1</u>	<u>17</u>
Net cash used in financing activities	<u>(3,005)</u>	<u>(1,898)</u>	<u>(2,086)</u>
Net increase (decrease) in cash and cash equivalents	204	459	(90)
Cash and cash equivalents at beginning of year	<u>1,132</u>	<u>673</u>	<u>763</u>
Cash and cash equivalents at end of year	<u>\$ 1,336</u>	<u>1,132</u>	<u>673</u>

See accompanying notes to consolidated financial statements.



	<u>2022</u>	<u>2021</u>	<u>2020</u>
		(Amounts are in millions)	
Reconciliation of net earnings to net cash provided by operating activities:			
Net earnings	\$ 2,918	4,412	3,972
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Depreciation and amortization	838	794	737
Increase in last-in, first-out (LIFO) reserve	147	109	20
Retirement contributions paid or payable in common stock	451	428	418
Deferred income taxes	(250)	328	51
Loss on disposal and impairment of long-lived assets	10	101	138
Loss (gain) on investments	1,518	(1,133)	(776)
Net amortization of investments	80	79	54
Change in operating assets and liabilities providing (requiring) cash:			
Trade receivables	(202)	14	(180)
Inventories	(434)	(130)	(140)
Other assets	89	195	151
Accounts payable and accrued expenses	30	268	615
Income taxes	292	(93)	59
Other liabilities	17	17	305
Total adjustments	<u>2,586</u>	<u>977</u>	<u>1,452</u>
Net cash provided by operating activities	<u>\$ 5,504</u>	<u>5,389</u>	<u>5,424</u>

**PUBLIX SUPER MARKETS, INC.**  
**Consolidated Statements of Stockholders' Equity**  
**Years ended December 31, 2022, December 25, 2021**  
**and December 26, 2020**

	Common Stock	Additional Paid-in Capital	Retained Earnings	Common Stock (Acquired from) Sold to Stock- holders	Accumu- lated Other Compre- hensive Earnings (Losses)	Common Stock Related to ESOP	Total Stock- holders' Equity
(Amounts are in millions, except per share amounts)							
Balances at December 28, 2019	\$ 3,533	932	12,317	—	81	(3,259)	13,604
Comprehensive earnings	—	—	3,972	—	120	—	4,092
Dividends, \$0.252 per share	—	—	(884)	—	—	—	(884)
Contribution of 37 shares to retirement plans	25	223	—	114	—	—	362
Acquisition of 139 shares from stockholders	—	—	—	(1,440)	—	—	(1,440)
Sale of 24 shares to stockholders	—	4	—	245	—	—	249
Retirement of 103 shares	(103)	—	(978)	1,081	—	—	—
Change for ESOP related shares	—	—	—	—	—	(226)	(226)
Balances at December 26, 2020	3,455	1,159	14,427	—	201	(3,485)	15,757
Comprehensive earnings	—	—	4,412	—	(206)	—	4,206
Dividends, \$0.286 per share	—	—	(987)	—	—	—	(987)
Contribution of 34 shares to retirement plan	23	267	—	118	—	—	408
Acquisition of 92 shares from stockholders	—	—	—	(1,137)	—	—	(1,137)
Sale of 21 shares to stockholders	—	—	—	263	—	—	263
Retirement of 60 shares	(60)	—	(696)	756	—	—	—
Change for ESOP related shares	—	—	—	—	—	(340)	(340)
Balances at December 25, 2021	3,418	1,426	17,156	—	(5)	(3,825)	18,170
Comprehensive earnings	—	—	2,918	—	(604)	—	2,314
Dividends, \$0.344 per share	—	—	(1,166)	—	—	—	(1,166)
Contribution of 31 shares to retirement plan	20	254	—	153	—	—	427
Acquisition of 152 shares from stockholders	—	—	—	(2,137)	—	—	(2,137)
Sale of 27 shares to stockholders	—	7	—	375	—	—	382
Retirement of 114 shares	(114)	—	(1,495)	1,609	—	—	—
Change for ESOP related shares	—	—	—	—	—	(204)	(204)
Balances at December 31, 2022	<u>\$ 3,324</u>	<u>1,687</u>	<u>17,413</u>	<u>—</u>	<u>(609)</u>	<u>(4,029)</u>	<u>17,786</u>

See accompanying notes to consolidated financial statements.

**PUBLIX SUPER MARKETS, INC.**  
**Notes to Consolidated Financial Statements**

**(1) Summary of Significant Accounting Policies**

**(a) Business**

Publix Super Markets, Inc. and its wholly owned subsidiaries (Company) are in the business of operating retail food supermarkets in Florida, Georgia, Alabama, South Carolina, Tennessee, North Carolina and Virginia. The Company plans to expand its retail operations into Kentucky in 2023. The Company was founded in 1930 and has no other significant lines of business or industry segments.

**(b) Principles of Consolidation**

The consolidated financial statements include the accounts of the Company, its wholly owned subsidiaries and certain joint ventures in which the Company has a controlling financial interest. All significant intercompany balances and transactions are eliminated in consolidation.

**(c) Fiscal Year**

The Company's fiscal year ends on the last Saturday in December. Fiscal year 2022 includes 53 weeks and fiscal years 2021 and 2020 include 52 weeks.

**(d) Cash Equivalents**

The Company considers all liquid investments with maturities of three months or less to be cash equivalents.

**(e) Trade Receivables**

Trade receivables primarily include amounts due from vendor rebates, debit and credit card sales and third party insurance pharmacy billings.

**(f) Inventories**

Inventories are valued at the lower of cost or market. The dollar value last-in, first-out (LIFO) method was used to determine the cost for 81% and 83% of inventories as of December 31, 2022 and December 25, 2021, respectively. Under this method, inventory is stated at cost, which is determined by applying a cost-to-retail ratio to each similar merchandise category's ending retail value. The cost of the remaining inventories was determined using the first-in, first-out (FIFO) method. The FIFO cost of inventory approximates replacement or current cost. The FIFO method is used to value certain manufactured, seasonal, perishable and other miscellaneous inventory items due to fluctuating costs and inconsistent product availability. The Company also reduces inventory for estimated losses related to shrink. If all inventories were valued using the FIFO method, inventories and current assets would have been higher than reported by \$805 million and \$658 million as of December 31, 2022 and December 25, 2021, respectively.

**(g) Investments**

Debt securities are classified as available-for-sale and measured at fair value. The Company evaluates debt securities on an individual security basis to determine if an unrealized loss is due to a credit loss or other factors, including interest rate fluctuations. The collectability of debt securities is evaluated based on criteria that include the extent to which the cost (cost of the debt security adjusted for amortization of premium or accretion of discount) exceeds fair value, the credit rating of the issuer or security, the failure of the issuer to make scheduled principal or interest payments and the financial health and prospects of the issuer or security.

Credit losses on debt securities the Company does not intend to sell and will not be required to sell prior to any anticipated recovery are recognized in earnings through an allowance. The allowance is measured as the difference between the present value of expected cash flows and the cost of the debt security, limited to the difference between the cost and the fair value of the debt security. Expected cash flows are discounted using the debt security's effective interest rate. Subsequent changes to the allowance are recognized in earnings in the period of the change. Credit losses on debt securities the Company intends to sell or will be required to sell prior to any anticipated recovery are recognized in earnings and measured as the difference between the cost and the fair value of the debt security.

Other unrealized losses on debt securities the Company does not intend to sell and will not be required to sell prior to any anticipated recovery are reported in other comprehensive earnings net of income taxes and included as a component of stockholders' equity. Other unrealized losses on debt securities the Company intends to sell or will be required to sell prior to any anticipated recovery are recognized in earnings and measured as the difference between the cost and the fair value of the debt security.

Equity securities are measured at fair value with net unrealized gains and losses from changes in the fair value recognized in earnings (fair value adjustment).

**PUBLIX SUPER MARKETS, INC.**  
**Notes to Consolidated Financial Statements**

Interest and dividend income, amortization of premiums, accretion of discounts and realized gains and losses on debt and equity securities are included in investment income. Interest income is accrued as earned. Dividend income is recognized as income on the ex-dividend date. The cost of debt and equity securities sold is based on the specific identification method.

**(h) Leases**

The Company conducts a major portion of its retail operations from leased locations. The Company determines whether a lease exists at inception. Initial lease terms are typically 20 years followed by five year renewal options and may include rent escalation clauses. The Company recognizes right-of-use assets and lease liabilities based on the present value of future lease payments. Future lease payments include the initial lease term and any renewal options to the extent it is reasonably certain the option will be exercised. The present value of future lease payments is determined by using the Company's incremental borrowing rate at the time of lease commencement. The incremental borrowing rate is estimated based on a composite index of debt for similarly rated companies with comparable terms.

Operating lease expense primarily represents fixed lease payments for operating leases recognized on a straight-line basis over the applicable lease term. Variable lease expense represents the payment of real estate taxes, insurance, maintenance and, for certain locations, additional rentals based on a percentage of sales in excess of stipulated minimums (excess rent). The payment of variable real estate taxes, insurance and maintenance is generally based on the Company's pro-rata share of total shopping center square footage. The Company estimates excess rent, where applicable, based on annual sales projections and uses the straight-line method to amortize the cost. The annual sales projections are reviewed periodically and adjusted if necessary.

**(i) Property, Plant and Equipment and Depreciation**

Assets are recorded at cost and depreciated or amortized using the straight-line method over their estimated useful lives or the terms of the related leases, if shorter, as follows: buildings and improvements (10-40 years); furniture, fixtures and equipment (3-20 years); leasehold improvements (10-20 years); and finance lease right-of-use assets (5-20 years).

Maintenance and repairs are expensed as incurred. Expenditures for renewals and betterments are capitalized. The gain or loss realized on disposed assets or assets to be disposed of is recorded in earnings.

**(j) Long-Lived Assets**

The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the net book value of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the net book value of an asset to the future net undiscounted cash flows expected to be generated by the asset. An impairment loss is recorded for the excess of the net book value over the fair value of the asset. The fair value is estimated based on expected discounted future cash flows. Assets to be disposed of are reported at the lower of the carrying amount or fair value less cost to sell and are no longer depreciated or amortized. Long-lived assets, including operating lease right-of-use assets, buildings and improvements, furniture, fixtures and equipment, leasehold improvements and finance lease right-of-use assets, are evaluated for impairment at the supermarket level.

**(k) Self-Insurance**

The Company is generally self-insured for claims related to health care, employee benefits, workers' compensation, general liability, property, plant and equipment, fleet liability and directors and officers liability. The Company uses third party insurance in certain instances to partially mitigate the risk related to these potential losses. Self-insurance reserves are established for health care, workers' compensation, general liability and fleet liability claims. These reserves are determined based on actual claims experience and an estimate of claims incurred but not reported including, where necessary, actuarial studies. Actuarial projections of losses for general liability and workers' compensation claims are discounted.

**(l) Postretirement Benefit**

The Company provides a postretirement life insurance benefit for certain salaried and hourly full-time employees who meet the eligibility requirements. Effective January 1, 2002, the Company amended the postretirement life insurance benefit under its Group Life Insurance Plan. To receive the postretirement life insurance benefit after the amendment, an employee must have had at least five years of full-time service and the employee's age plus years of credited service must have equaled 65 or greater as of October 1, 2001. At retirement, such employees also must be at least age 55 with at least 10 years of full-time service to be eligible to receive the postretirement life insurance benefit.

**PUBLIX SUPER MARKETS, INC.**  
**Notes to Consolidated Financial Statements**

Actuarial projections are used to calculate the year end postretirement benefit obligation, discounted using a yield curve methodology based on high quality bonds with a rating of AA or better. Actuarial losses are amortized from accumulated other comprehensive earnings into net periodic postretirement benefit cost over future years when the accumulation of such losses exceeds 10% of the year end postretirement benefit obligation. The Company included the accrued postretirement benefit obligation of \$93 million and \$123 million in other noncurrent liabilities on the consolidated balance sheets as of December 31, 2022 and December 25, 2021, respectively.

**(m) Stock Split**

On April 1, 2022, the Company filed Articles of Amendment to its Restated Articles of Incorporation in order to effect a 5-for-1 stock split of the Company's common stock, par value \$1.00 per share (Common Stock), and an increase in the number of authorized shares of Common Stock from 1 billion to 4 billion, effective as of the close of business April 14, 2022. The Articles of Amendment were approved by the Company's Board of Directors on April 1, 2022. All applicable data, including share and per share amounts, in the consolidated financial statements and accompanying notes have been retroactively adjusted to give effect to the stock split.

**(n) Comprehensive Earnings**

Comprehensive earnings include net earnings and other comprehensive earnings. Other comprehensive earnings include revenues, expenses, gains and losses that have been excluded from net earnings and recorded directly to stockholders' equity. Included in other comprehensive earnings are certain unrealized gains and losses on debt securities and adjustments to the postretirement benefit obligation net of income taxes.

**(o) Revenue Recognition**

The Company sells grocery (including dairy, produce, floral, deli, bakery, meat and seafood), health and beauty care, general merchandise, pharmacy and other products and services. Grocery was 83% of sales for 2022, 84% of sales for 2021 and 85% of sales for 2020. All other products and services were 17% of sales for 2022, 16% of sales for 2021 and 15% of sales for 2020.

Revenue is recognized at the point of sale for retail sales. Customer returns are immaterial. Vendor coupons that are reimbursed are accounted for as sales. Coupons and other sales incentives offered by the Company that are not reimbursed are recorded as a reduction of sales. The Company records sales net of applicable sales taxes.

**(p) Other Operating Income**

Other operating income is recognized on a net basis as earned. Other operating income includes income generated from other activities, primarily automated teller transaction fees, licensee sales commissions, lottery commissions, mall gift card commissions, money order commissions, money transfer fees and vending machine commissions.

**(q) Cost of Merchandise Sold**

Cost of merchandise sold includes costs of inventory and costs related to in-store production. Cost of merchandise sold also includes inbound freight charges, purchasing and receiving costs, warehousing costs and other costs of the Company's distribution network.

Rebates received from a vendor in connection with the purchase or promotion of the vendor's products are recognized as a reduction of cost of merchandise sold as earned. These vendor rebates are recognized as earned in accordance with the underlying agreement with the vendor and completion of the earnings process. Short-term vendor agreements with advance payment provisions are recorded as a current liability and recognized over the appropriate period as earned according to the underlying agreements. Long-term vendor agreements with advance payment provisions are recorded as a noncurrent liability and recognized over the appropriate period as earned according to the underlying agreements.

**(r) Advertising Costs**

Advertising costs are expensed as incurred and were \$317 million, \$280 million and \$245 million for 2022, 2021 and 2020, respectively.

**(s) Other Nonoperating Income, net**

Other nonoperating income, net includes rent from tenants in owned shopping centers, net of related expenses, and other miscellaneous nonoperating income.

**PUBLIX SUPER MARKETS, INC.**  
**Notes to Consolidated Financial Statements**

**(t) Income Taxes**

Deferred income taxes are established for temporary differences between financial and tax reporting bases and are subsequently adjusted to reflect changes in income tax rates expected to be in effect when the temporary differences reverse. The Company recognizes accrued interest and penalties related to income tax liabilities as a component of income tax expense. The Company invests in certain investment related tax credits that promote affordable housing and renewable energy. These investments generate a return primarily through the realization of federal and state tax credits and other tax benefits. The Company accounts for its affordable housing investments using the proportional amortization method. Under this method, the investment is amortized into income tax expense in proportion to the tax credits received and the investment tax credits are recognized as a reduction of income tax expense. The Company accounts for its renewable energy investments using the deferral method. Under this method, the investment tax credits are recognized as a reduction of the renewable energy investments.

**(u) Common Stock and Earnings Per Share**

Earnings per share is calculated by dividing net earnings by the weighted average shares outstanding. Basic and diluted earnings per share are the same because the Company does not have options or other stock compensation programs that impact the calculation of diluted earnings per share. All shares owned by the Employee Stock Ownership Plan (ESOP) are included in the earnings per share calculations. Dividends paid to the ESOP, as well as dividends on all other common stock shares, are reflected as a reduction of retained earnings. All common stock shares, including ESOP and 401(k) Plan shares, receive one vote per share and have the same dividend rights. The voting rights for ESOP shares allocated to participants' accounts are passed through to the participants. The Trustee of the Company's common stock in the 401(k) Plan votes the shares held in that plan.

**(v) Use of Estimates**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**(2) Fair Value of Financial Instruments**

The fair value of certain of the Company's financial instruments, including cash and cash equivalents, trade receivables and accounts payable, approximates their respective carrying amounts due to their short-term maturity.

The fair value of investments is based on market prices using the following measurement categories:

Level 1 – Fair value is determined by using quoted prices in active markets for identical investments. Investments included in this category are equity securities (exchange traded funds).

Level 2 – Fair value is determined by using other than quoted prices. By using observable inputs (for example, benchmark yields, interest rates, reported trades and broker dealer quotes), the fair value is determined through processes such as benchmark curves, benchmarking of similar securities and matrix pricing of corporate, government-sponsored agency, state and municipal bonds by using pricing of similar bonds based on coupons, ratings and maturities. Investments included in this category are primarily debt securities (taxable and tax exempt bonds), including restricted investments in taxable bonds held as collateral.

Level 3 – Fair value is determined by using other than observable inputs. Fair value is determined by using the best information available in the circumstances and requires significant management judgment or estimation. No investments are currently included in this category.

Following is a summary of fair value measurements for investments as of December 31, 2022 and December 25, 2021:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
		(Amounts are in millions)		
December 31, 2022	\$ 11,558	2,137	9,421	—
December 25, 2021	13,651	2,159	11,492	—

**PUBLIX SUPER MARKETS, INC.**  
**Notes to Consolidated Financial Statements**

**(3) Investments**

**(a) Debt Securities**

Following is a summary of debt securities as of December 31, 2022 and December 25, 2021:

	<u>Cost</u>	<u>Gross Unrealized Gains</u>	<u>Gross Unrealized Losses</u>	<u>Fair Value</u>
	(Amounts are in millions)			
<u>2022</u>				
Taxable bonds	\$ 9,705	6	830	8,881
Tax exempt bonds	37	—	—	37
Restricted investments	170	—	4	166
	<u>\$ 9,912</u>	<u>6</u>	<u>834</u>	<u>9,084</u>
<u>2021</u>				
Taxable bonds	\$ 9,644	109	108	9,645
Tax exempt bonds	269	2	—	271
Restricted investments	171	8	1	178
	<u>\$ 10,084</u>	<u>119</u>	<u>109</u>	<u>10,094</u>

The Company maintains restricted investments primarily for the benefit of the Company's insurance carrier related to self-insurance reserves. These investments are held as collateral and not used for claim payments.

The cost and fair value of debt securities by expected maturity as of December 31, 2022 and December 25, 2021 are as follows:

	<u>2022</u>		<u>2021</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
	(Amounts are in millions)			
Due in one year or less	\$ 570	566	876	883
Due after one year through five years	8,355	7,661	6,353	6,404
Due after five years through ten years	985	855	2,852	2,804
Due after ten years	2	2	3	3
	<u>\$ 9,912</u>	<u>9,084</u>	<u>10,084</u>	<u>10,094</u>

**PUBLIX SUPER MARKETS, INC.**  
**Notes to Consolidated Financial Statements**

The Company had no debt securities with credit losses as of December 31, 2022 and December 25, 2021.

Following is a summary of debt securities with other unrealized losses by the time period impaired as of December 31, 2022 and December 25, 2021:

	Less Than 12 Months		12 Months or Longer		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
	(Amounts are in millions)					
<u>2022</u>						
Taxable bonds	\$ 3,705	199	4,627	631	8,332	830
Restricted investments	151	2	15	2	166	4
	<u>\$ 3,856</u>	<u>201</u>	<u>4,642</u>	<u>633</u>	<u>8,498</u>	<u>834</u>
<u>2021</u>						
Taxable bonds	\$ 4,225	72	1,132	36	5,357	108
Restricted investments	17	1	—	—	17	1
	<u>\$ 4,242</u>	<u>73</u>	<u>1,132</u>	<u>36</u>	<u>5,374</u>	<u>109</u>

There are 446 debt securities contributing to the total unrealized losses of \$834 million as of December 31, 2022. Unrealized losses related to debt securities are primarily due to increases in interest rates that occurred since the debt securities were purchased. The Company continues to receive scheduled principal and interest payments on these debt securities.

**(b) Equity Securities**

The fair value of equity securities was \$2.5 billion and \$3.6 billion as of December 31, 2022 and December 25, 2021, respectively.

**(c) Investment Income (Loss)**

Net realized gain or loss on investments represents the difference between the cost and the proceeds from the sale of debt and equity securities. The net realized gain or loss on investments excludes the net gain or loss on the sale of equity securities previously recognized through the fair value adjustment, which is presented separately in the following table.

Following is a summary of investment income (loss) for 2022, 2021 and 2020:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
	(Amounts are in millions)		
Interest and dividend income	\$ 256	197	199
Net realized (loss) gain on investments	<u>(2)</u>	<u>33</u>	<u>397</u>
	254	230	596
Fair value adjustment, due to net unrealized (loss) gain, on equity securities held at end of year	(1,516)	1,109	555
Net gain on sale of equity securities previously recognized through fair value adjustment	<u>—</u>	<u>(9)</u>	<u>(176)</u>
	<u>\$ (1,262)</u>	<u>1,330</u>	<u>975</u>



**PUBLIX SUPER MARKETS, INC.**  
**Notes to Consolidated Financial Statements**

**(4) Leases**

**(a) Lessee**

Following is a summary of lease expense for 2022, 2021 and 2020:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
	(Amounts are in millions)		
Operating lease expense	\$ 457	445	443
Finance lease expense:			
Amortization of right-of-use assets	29	22	10
Interest on lease liabilities	15	11	5
Variable lease expense	181	166	159
Sublease rental income	<u>(1)</u>	<u>(2)</u>	<u>(3)</u>
	<u>\$ 681</u>	<u>642</u>	<u>614</u>

Supplemental cash flow information related to leases for 2022, 2021 and 2020 was as follows:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
	(Amounts are in millions)		
Operating cash flows from rent paid for operating lease liabilities	\$ 451	444	437
Right-of-use assets obtained in exchange for new lease liabilities:			
Operating leases	445	362	365
Finance leases	96	188	174

**PUBLIX SUPER MARKETS, INC.**  
**Notes to Consolidated Financial Statements**

The weighted average remaining lease term and weighted average discount rate as of December 31, 2022 and December 25, 2021 are as follows:

	<u>2022</u>	<u>2021</u>
Weighted average remaining lease term:		
Operating leases	12 years	12 years
Finance leases	18 years	19 years
Weighted average discount rate:		
Operating leases	3.6%	3.3%
Finance leases	3.3%	3.1%

Maturities of lease liabilities as of December 31, 2022 are as follows:

<u>Year</u>	<u>Operating Leases</u>	<u>Finance Leases</u>
	(Amounts are in millions)	
2023	\$ 456	33
2024	419	33
2025	369	33
2026	328	33
2027	284	33
Thereafter	<u>1,792</u>	<u>420</u>
	3,648	585
Less: Imputed interest	<u>(716)</u>	<u>(144)</u>
	<u>\$ 2,932</u>	<u>441</u>

As of December 31, 2022, the Company has lease agreements that have not yet commenced with fixed lease payments totaling \$602 million. These leases will commence in future periods with terms ranging up to 20 years.

**PUBLIX SUPER MARKETS, INC.**  
**Notes to Consolidated Financial Statements**

**(b) Lessor**

The Company leases space in owned shopping centers to tenants under noncancelable operating leases. The Company determines whether a lease exists at inception. Initial lease terms are typically five years followed by five year renewal options and may include rent escalation clauses. Lease income primarily represents fixed lease payments from tenants recognized on a straight-line basis over the applicable lease term. Variable lease income represents tenant payments for real estate taxes, insurance, maintenance and, for certain locations, excess rent.

Following is a summary of total lease income for 2022, 2021 and 2020:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
	(Amounts are in millions)		
Lease income	\$ 173	162	133
Variable lease income	<u>49</u>	<u>44</u>	<u>39</u>
	<u>\$ 222</u>	<u>206</u>	<u>172</u>

In 2020, the Company offered two months of rent relief to tenants in Company owned shopping centers that were impacted by the coronavirus pandemic. The rent relief was recorded as a reduction of lease income and variable lease income.

Future fixed lease payments for all noncancelable operating leases as of December 31, 2022 are as follows:

<u>Year</u>	
	(Amounts are in millions)
2023	\$ 180
2024	151
2025	118
2026	88
2027	57
Thereafter	<u>203</u>
	<u>\$ 797</u>

**PUBLIX SUPER MARKETS, INC.**  
**Notes to Consolidated Financial Statements**

**(5) Consolidation of Joint Ventures and Long-Term Debt**

From time to time, the Company enters into a joint venture (JV), in the legal form of a limited liability company, with real estate developers to partner in the development of a shopping center with the Company as the anchor tenant. The Company consolidates certain of these JVs in which it has a controlling financial interest. The Company is considered to have a controlling financial interest in a JV when it has (1) the power to direct the activities of the JV that most significantly impact the JV's economic performance and (2) the obligation to absorb losses or the right to receive benefits from the JV that could potentially be significant to such JV.

The Company evaluates a JV using specific criteria to determine whether the Company has a controlling financial interest and is the primary beneficiary of the JV. Factors considered in determining whether the Company is the primary beneficiary include risk and reward sharing, experience and financial condition of the other JV members, voting rights, involvement in routine capital and operating decisions and each member's influence over the JV owned shopping center's economic performance.

Generally, most major JV decision making is shared between all members. In particular, the use and sale of JV assets, business plans and budgets are generally required to be approved by all members. However, the Company, through its anchor tenant operating lease agreement, has the power to direct the activities that most significantly influence the economic performance of the JV owned shopping center. Additionally, through its member equity interest in the JV, the Company will receive a significant portion of the JV's benefits or is obligated to absorb a significant portion of the JV's losses. Substantially all of the JVs are consolidated as the Company is the primary beneficiary of the JVs.

As of December 31, 2022, the carrying amounts of the assets and liabilities of the consolidated JVs were \$136 million and \$40 million, respectively. As of December 25, 2021, the carrying amounts of the assets and liabilities of the consolidated JVs were \$194 million and \$76 million, respectively. The assets are owned by and the liabilities are obligations of the JVs, not the Company, except for a portion of the long-term debt of certain JVs guaranteed by the Company. The JVs are financed with capital contributions from the members, loans and/or the cash flows generated by the JV owned shopping centers once in operation. Total earnings attributable to noncontrolling interests for 2022, 2021 and 2020 were immaterial. The Company's involvement with these JVs does not have a significant effect on the Company's financial condition, results of operations or cash flows.

The Company's long-term debt results primarily from the consolidation of loans of certain JVs and loans assumed in connection with the acquisition of certain shopping centers with the Company as the anchor tenant. No loans were assumed during 2022 or 2021. Maturities of JV loans range from June 2023 through April 2027 and have variable interest rates based on a London Interbank Offered Rate (LIBOR) index plus 200 to 210 basis points. Maturities of assumed shopping center loans range from February 2023 through January 2027 and have fixed interest rates ranging from 4.0% to 7.5%.

As of December 31, 2022, the aggregate annual maturities and scheduled payments of long-term debt are as follows:

<u>Year</u>	(Amounts are in millions)	
2023	\$	36
2024		16
2025		—
2026		4
2027		23
	<u>\$</u>	<u>79</u>

**PUBLIX SUPER MARKETS, INC.**  
**Notes to Consolidated Financial Statements**

**(6) Self-Insurance Reserves**

Following is a reconciliation of the self-insurance reserves for 2022, 2021 and 2020:

	Balance at Beginning of <u>Year</u>	Additions Charged to <u>Income</u>	Deductions From <u>Reserves</u>	Balance at End of <u>Year</u>
	(Amounts are in millions)			
<u>2022</u>				
Self-insurance reserves:				
Current	\$ 191	526	507	210
Noncurrent	<u>249</u>	<u>19</u>	<u>—</u>	<u>268</u>
	<u>\$ 440</u>	<u>545</u>	<u>507</u>	<u>478</u>
<u>2021</u>				
Self-insurance reserves:				
Current	\$ 161	524	494	191
Noncurrent	<u>236</u>	<u>13</u>	<u>—</u>	<u>249</u>
	<u>\$ 397</u>	<u>537</u>	<u>494</u>	<u>440</u>
<u>2020</u>				
Self-insurance reserves:				
Current	\$ 149	396	384	161
Noncurrent	<u>227</u>	<u>9</u>	<u>—</u>	<u>236</u>
	<u>\$ 376</u>	<u>405</u>	<u>384</u>	<u>397</u>

**PUBLIX SUPER MARKETS, INC.**  
**Notes to Consolidated Financial Statements**

**(7) Retirement Plans**

The Company has a trustee, noncontributory ESOP for the benefit of eligible employees. The Company recognizes an expense related to the Company's discretionary contribution to the ESOP that is approved by the Board of Directors each year. ESOP contributions can be made in Company common stock or cash. Compensation expense recorded for contributions to this plan was \$450 million, \$427 million and \$418 million for 2022, 2021 and 2020, respectively.

Since the Company's common stock is not traded on an established securities market, the ESOP includes a put option for shares of the Company's common stock distributed from the ESOP. Shares are distributed from the ESOP primarily to separated vested participants and certain eligible participants who elect to diversify their account balances. Under the Company's administration of the ESOP's put option, if the owners of distributed shares desire to sell their shares, the Company is required to purchase the shares at fair value for a specified time period after distribution of the shares from the ESOP. The fair value of distributed shares subject to the put option totaled \$629 million and \$608 million as of December 31, 2022 and December 25, 2021, respectively. The cost of the shares held by the ESOP totaled \$3.4 billion and \$3.2 billion as of December 31, 2022 and December 25, 2021, respectively. Due to the Company's obligation under the put option, the distributed shares subject to the put option and the shares held by the ESOP are classified as temporary equity in the mezzanine section of the consolidated balance sheets and totaled \$4.0 billion and \$3.8 billion as of December 31, 2022 and December 25, 2021, respectively. The fair value of the shares held by the ESOP totaled \$10.2 billion and \$10.9 billion as of December 31, 2022 and December 25, 2021, respectively.

The Company has a 401(k) Plan for the benefit of eligible employees. The 401(k) Plan is a voluntary defined contribution plan. Eligible employees may contribute up to 30% of their eligible annual compensation, subject to the maximum contribution limits established by federal law. The Company may make a discretionary annual matching contribution to eligible participants of this plan as determined by the Board of Directors. During 2022, 2021 and 2020, the Board of Directors approved a match of 50% of eligible annual contributions up to 3% of eligible annual compensation, not to exceed a maximum match of \$750 per employee. Compensation expense recorded for the Company's match to the 401(k) Plan was \$47 million, \$44 million and \$40 million for 2022, 2021 and 2020, respectively.

The Company intends to continue its retirement plans; however, the right to modify, amend, terminate or merge these plans has been reserved. In the event of termination, all amounts contributed under the plans must be paid to the participants or their beneficiaries.

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**Notes to Consolidated Financial Statements**

**(8) Income Taxes**

Total income taxes for 2022, 2021 and 2020 were allocated as follows:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
	(Amounts are in millions)		
Earnings	\$ 668	1,148	1,065
Other comprehensive (losses) earnings	<u>(206)</u>	<u>(70)</u>	<u>40</u>
	<u>\$ 462</u>	<u>1,078</u>	<u>1,105</u>

The provision for income taxes consists of the following:

	<u>Current</u>	<u>Deferred</u>	<u>Total</u>
	(Amounts are in millions)		
<u>2022</u>			
Federal	\$ 810	(175)	635
State	<u>108</u>	<u>(75)</u>	<u>33</u>
	<u>\$ 918</u>	<u>(250)</u>	<u>668</u>
<u>2021</u>			
Federal	\$ 755	264	1,019
State	<u>65</u>	<u>64</u>	<u>129</u>
	<u>\$ 820</u>	<u>328</u>	<u>1,148</u>
<u>2020</u>			
Federal	\$ 871	57	928
State	<u>143</u>	<u>(6)</u>	<u>137</u>
	<u>\$ 1,014</u>	<u>51</u>	<u>1,065</u>

A reconciliation of the provision for income taxes at the federal statutory income tax rate of 21% to earnings before income taxes compared to the Company's actual income tax expense is as follows:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
	(Amounts are in millions)		
Federal tax at statutory income tax rate	\$ 753	1,168	1,058
State income taxes (net of federal tax benefit)	26	102	108
ESOP dividend	(58)	(51)	(47)
Other, net	<u>(53)</u>	<u>(71)</u>	<u>(54)</u>
	<u>\$ 668</u>	<u>1,148</u>	<u>1,065</u>

**PUBLIX SUPER MARKETS, INC.**  
**Notes to Consolidated Financial Statements**

The tax effects of temporary differences that give rise to significant portions of deferred income taxes as of December 31, 2022 and December 25, 2021 are as follows:

	<u>2022</u>	<u>2021</u>
	(Amounts are in millions)	
Deferred tax liabilities and (assets):		
Property, plant and equipment	\$ 857	764
Lease assets	812	817
Inventories	52	33
Lease liabilities	(858)	(854)
Self-insurance reserves	(96)	(91)
Investments	(75)	520
Retirement plan contributions	(48)	(48)
Postretirement benefit cost	(25)	(33)
Vendor rebates	(20)	(19)
Payroll tax deferral	—	(38)
Other	(24)	(20)
	<u>\$ 575</u>	<u>1,031</u>

The Company expects the results of future operations and the reversal of deferred tax liabilities to generate sufficient taxable income to allow utilization of deferred tax assets; therefore, no valuation allowance has been recorded as of December 31, 2022 and December 25, 2021.

The Company has analyzed filing positions in all of the federal and state jurisdictions where it is required to file income tax returns as well as all open tax years in these jurisdictions. The periods subject to examination for the Company's federal income tax returns are the 2018 through 2021 tax years. The periods subject to examination for the Company's state income tax returns are the 2016 through 2021 tax years. The Company believes that the outcome of any examinations will not have a material effect on its financial condition, results of operations or cash flows.

The Company had no unrecognized tax benefits in 2022 and 2021. As a result, there will be no effect on the Company's effective income tax rate in future periods due to the recognition of unrecognized tax benefits.



**PUBLIX SUPER MARKETS, INC.**  
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**(9) Accumulated Other Comprehensive Earnings (Losses)**

A reconciliation of the changes in accumulated other comprehensive earnings (losses) net of income taxes for 2022, 2021 and 2020 is as follows:

	<u>Investments</u>	<u>Postretirement Benefit</u>	<u>Accumulated Other Comprehensive Earnings (Losses)</u>
	(Amounts are in millions)		
Balances at December 28, 2019	\$ 98	(17)	81
Unrealized gain on debt securities	139	—	139
Net realized gain on debt securities reclassified to investment income	(13)	—	(13)
Adjustment to postretirement benefit obligation	—	(6)	(6)
Net other comprehensive earnings (losses)	<u>126</u>	<u>(6)</u>	<u>120</u>
Balances at December 26, 2020	<u>224</u>	<u>(23)</u>	<u>201</u>
Unrealized loss on debt securities	(201)	—	(201)
Net realized gain on debt securities reclassified to investment income	(16)	—	(16)
Adjustment to postretirement benefit obligation	—	11	11
Net other comprehensive (losses) earnings	<u>(217)</u>	<u>11</u>	<u>(206)</u>
Balances at December 25, 2021	<u>7</u>	<u>(12)</u>	<u>(5)</u>
Unrealized loss on debt securities	(626)	—	(626)
Net realized loss on debt securities reclassified to investment income	1	—	1
Adjustment to postretirement benefit obligation	—	21	21
Net other comprehensive (losses) earnings	<u>(625)</u>	<u>21</u>	<u>(604)</u>
Balances at December 31, 2022	<u><u>\$ (618)</u></u>	<u><u>9</u></u>	<u><u>(609)</u></u>

**(10) Commitments and Contingencies**

The Company is subject from time to time to various lawsuits, claims and charges arising in the normal course of business. The Company believes its recorded reserves are adequate in light of the probable and estimable liabilities. The estimated amount of reasonably possible losses for lawsuits, claims and charges, individually and in the aggregate, is considered to be immaterial. In the opinion of management, the ultimate resolution of these legal proceedings will not have a material adverse effect on the Company's financial condition, results of operations or cash flows.

**(11) Subsequent Event**

On January 2, 2023, the Company declared a quarterly dividend on its common stock of \$0.09 per share or \$299 million, payable February 1, 2023 to stockholders of record as of the close of business January 13, 2023.

## **Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure**

None

### **Item 9A. Controls and Procedures**

#### ***Disclosure Controls and Procedures***

As of the end of the period covered by this Annual Report, the Company carried out an evaluation, under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures pursuant to Exchange Act Rule 13a-15. Based upon this evaluation, the Chief Executive Officer and Chief Financial Officer each concluded that the Company's disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified by the SEC's rules and forms, and that such information has been accumulated and communicated to the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, in a manner that allows timely decisions regarding required disclosure.

#### ***Internal Control over Financial Reporting***

There have been no changes in the Company's internal control over financial reporting identified in connection with the evaluation that occurred during the quarter ended December 31, 2022 that have materially affected, or are reasonably likely to materially affect, the internal control over financial reporting.

#### ***Management's Report on Internal Control over Financial Reporting***

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) and Rule 15d-15(f) under the Exchange Act). The Company's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles. Because of inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2022. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in *Internal Control – Integrated Framework (2013)*. Based on this assessment and these criteria, management believes that the Company's internal control over financial reporting was effective as of December 31, 2022.

### **Item 9B. Other Information**

None

### **Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections**

Not applicable

## **PART III**

### **Item 10. Directors, Executive Officers and Corporate Governance**

Certain information concerning the executive officers of the Company is set forth on the following page. All other information regarding this item is incorporated by reference from the Proxy Statement of the Company (2023 Proxy Statement), which the Company intends to file no later than 120 days after its fiscal year end.

The Company has adopted a Code of Ethical Conduct for Financial Managers that applies to the Company's principal executive officer, principal financial officer, principal accounting officer or controller and all persons performing similar functions. A copy of the Code of Ethical Conduct for Financial Managers was filed as Exhibit 14 to the Annual Report on Form 10-K for the year ended December 28, 2002.

### **Item 11. Executive Compensation**

Information regarding this item is incorporated by reference from the 2023 Proxy Statement.

### **Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters**

Information regarding this item is incorporated by reference from the 2023 Proxy Statement.

### **Item 13. Certain Relationships, Related Transactions and Director Independence**

Information regarding this item is incorporated by reference from the 2023 Proxy Statement.

### **Item 14. Principal Accounting Fees and Services**

Information regarding this item is incorporated by reference from the 2023 Proxy Statement.

<u>Name</u>	<u>Age</u>	<u>Business Experience During Last Five Years</u>	<u>Served as Officer of Company Since</u>
<b>Executive Officers of the Company</b>			
David E. Bornmann	65	Senior Vice President of the Company.	1998
Laurie Z. Douglas	59	Senior Vice President and Chief Information Officer of the Company to January 2019, Senior Vice President, Chief Information Officer and Chief Digital Officer thereafter.	2006
John L. Goff, Jr.	49	Regional Director of Retail Operations of the Company to January 2019, Vice President to January 2022, Senior Vice President thereafter.	2019
Randall T. Jones, Sr.	60	Chief Executive Officer and President of the Company to January 2019, Chief Executive Officer thereafter.	2003
Merriann M. Metz	47	Assistant General Counsel and Assistant Secretary of the Company to June 2019, Vice President, General Counsel and Secretary to January 2022, Senior Vice President, General Counsel and Secretary thereafter.	2016
Kevin S. Murphy	52	Senior Vice President of the Company to January 2019, President thereafter.	2014
David P. Phillips	63	Executive Vice President, Chief Financial Officer and Treasurer of the Company and Trustee of the Committee of Trustees of the ESOP.	1990
Michael R. Smith	63	Senior Vice President of the Company.	2005
<b>Officers of the Company</b>			
Monica A. Allman	49	Director of Stock Programs of the Company to March 2023, Vice President thereafter.	2023
Norman J. Badger	44	Regional Director of Retail Operations of the Company to May 2020, Vice President thereafter.	2020
Randolph L. Barber	60	Vice President of the Company.	2018
Robert J. Bechtel	59	Vice President of the Company.	2016
Adrian Bennett	53	Regional Director of Retail Operations of the Company to July 2021, Vice President thereafter.	2021
Marcy P. Benton	54	Vice President of the Company.	2017
Matthew I. Crawley	54	Regional Director of Retail Operations of the Company to January 2022, Vice President thereafter.	2022
Kyle C. Davis	60	Director of Warehousing of the Company to January 2022, Vice President thereafter.	2022
Christopher P. Haake	54	Business Development Director of the Company to January 2022, Vice President thereafter.	2022
Linda S. Hall	63	Vice President of the Company.	2002
Douglas A. Harris, Jr.	50	General Manager of Manufacturing Operations of the Company to March 2018, Director of Manufacturing Operations to May 2019, Vice President thereafter.	2019
Kris Jonczyk	53	Regional Director of Retail Operations of the Company to January 2020, Vice President thereafter.	2020
Erik J. Katenkamp	51	Vice President of the Company.	2013
L. Renee Kelly	61	Vice President of the Company.	2013
Michael E. Lester	57	Director of Warehousing of the Company to January 2019, Vice President thereafter.	2019
Robert J. McGarrity	61	Vice President of the Company.	2017
Christopher J. Mesa	53	Director of Tax of the Company to February 2018, Director of Tax and Treasury to January 2022, Vice President thereafter.	2022
Bridgid A. O'Connor	41	Director of Real Estate Strategy of the Company to April 2022, Vice President thereafter.	2022
Brad E. Oliver	49	Vice President of the Company.	2018
John F. Provenzano	49	Vice President of the Company.	2017

<u>Name</u>	<u>Age</u>	<u>Business Experience During Last Five Years</u>	<u>Served as Officer of Company Since</u>
<b>Officers of the Company (Continued)</b>			
William W. Rayburn, IV	60	Vice President of the Company.	2017
Malinda G. Renfroe	43	Manager of Marketing Brand Management of the Company to April 2019, Director of Marketing Operations to March 2022, Vice President thereafter.	2022
Charles B. Roskovich, Jr.	61	Vice President of the Company.	2008
Dain Rusk	49	Group Vice President of Pharmacy Operations of Albertsons Companies to June 2018, Vice President of the Company thereafter.	2018
Marc H. Salm	62	Vice President of the Company.	2008
Marsha C. Singh	48	District Manager of Retail Operations of the Company to May 2018, Regional Director of Retail Operations to January 2023, Vice President thereafter.	2023
D. Douglas Stalbaum	43	Director of Finance of Rooms To Go to March 2019, Director of Business Analysis and Reporting of the Company to January 2022, Vice President thereafter.	2022
Steven B. Wellslager	56	Vice President of the Company.	2013

The terms of all officers expire in May 2023 or upon the election of their successors.

## PART IV

### Item 15. Exhibits and Financial Statement Schedules

#### (a) Consolidated Financial Statements and Schedules

The consolidated financial statements listed in the accompanying Index to Consolidated Financial Statements are filed as part of this Annual Report. All financial statement schedules are omitted as the required information is inapplicable or the information is presented in the consolidated financial statements and related notes.

#### (b) Exhibits

- 3.1 Composite Restated Articles of Incorporation are incorporated by reference to Exhibit 3.1 to the Quarterly Report on Form 10-Q for the quarter ended June 25, 2022.
- 3.2 Amended and Restated Bylaws are incorporated by reference to Exhibit 3.2 to the Current Report on Form 8-K dated November 14, 2012.
- 4.1 Description of the Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934 is incorporated by reference to Exhibit 4.1 to the Annual Report on Form 10-K for the year ended December 28, 2019.
- 10\* Form of Indemnification Agreement between the Company and its directors and officers is incorporated by reference to Exhibit 10 to the Quarterly Report on Form 10-Q for the quarter ended March 31, 2001.
- 10.2\* Incentive Bonus Plan is incorporated by reference to Exhibit 10.2 to the Annual Report on Form 10-K for the year ended December 31, 2011.
- 10.5\* Form of Indemnification Agreement between the Company and one of the Trustees of the Company's 401(k) Plan and each member of the Company's 401(k) Plan investment committee is incorporated by reference to Exhibit 10.5 to the Current Report on Form 8-K dated December 14, 2011.
- 10.6\* Supplemental Executive Retirement Plan is incorporated by reference to Exhibit 10.6 to the Current Report on Form 8-K dated November 14, 2012.
- 10.7\* Form of Indemnification Agreement between the Company and the Trustees of the Committee of Trustees of the Company's ESOP is incorporated by reference to Exhibit 10.7 to the Current Report on Form 8-K dated July 1, 2015.
- 14 Code of Ethical Conduct for Financial Managers is incorporated by reference to Exhibit 14 to the Annual Report on Form 10-K for the year ended December 28, 2002.
- 21 Subsidiaries of the Registrant.
- 23 Consent of Independent Registered Public Accounting Firm.
- 31.1 Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 31.2 Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 32.1 Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 32.2 Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 101 The following financial information from this Annual Report is formatted in Extensible Business Reporting Language: (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Earnings, (iii) Consolidated Statements of Comprehensive Earnings, (iv) Consolidated Statements of Cash Flows, (v) Consolidated Statements of Stockholders' Equity and (vi) Notes to Consolidated Financial Statements.
- 104 Cover Page Interactive Data File (embedded within the Inline XBRL document and included in Exhibit 101).

\* Represents management contract or compensatory plan or arrangement.

#### Item 16. Form 10-K Summary

None

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

PUBLIX SUPER MARKETS, INC.

March 1, 2023

By: /s/ Merriann M. Metz  
Merriann M. Metz  
Secretary

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

<u>/s/ Jessica L. Blume</u> Jessica L. Blume	Director	March 1, 2023
<u>/s/ William E. Crenshaw</u> William E. Crenshaw	Chairman of the Board and Director	March 1, 2023
<u>/s/ Joseph DiBenedetto, Jr.</u> Joseph DiBenedetto, Jr.	Director	March 1, 2023
<u>/s/ Mark R. Irby</u> Mark R. Irby	Director	March 1, 2023
<u>/s/ Howard M. Jenkins</u> Howard M. Jenkins	Director	March 1, 2023
<u>/s/ Jennifer A. Jenkins</u> Jennifer A. Jenkins	Director	March 1, 2023
<u>/s/ Randall T. Jones, Sr.</u> Randall T. Jones, Sr.	Chief Executive Officer and Director (Principal Executive Officer)	March 1, 2023
<u>/s/ Stephen M. Knopik</u> Stephen M. Knopik	Director	March 1, 2023
<u>/s/ David P. Phillips</u> David P. Phillips	Executive Vice President, Chief Financial Officer, Treasurer and Director (Principal Financial and Accounting Officer)	March 1, 2023

**Subsidiaries of the Registrant**

Publix Alabama, LLC (filed in Alabama)  
Publix Apron's Event Planning and Catering, LLC (filed in Florida)  
Publix Asset Management Company (filed in Florida)  
Publix Associate Services, LLC (filed in Florida)  
Publix North Carolina, LP (filed in Florida)  
Publix North Carolina Employee Services, LLC (filed in Florida)  
Publix Tennessee, LLC (filed in Florida)  
Central and Second Insurance Company (filed in Georgia)  
Morning Song, LLC (filed in Florida)  
PSM F1, Inc. (filed in Florida)  
PTO, LLC (filed in Florida)  
Real Sub, LLC (filed in Florida)

**Consent of Independent Registered Public Accounting Firm**

We consent to the incorporation by reference in the registration statements (No. 333-232785, No. 033-55867, No. 333-62705, No. 333-63544, No. 333-147049 and No. 333-177948) on Form S-8 of our report dated March 1, 2023, with respect to the consolidated financial statements of Publix Super Markets, Inc.

/s/ KPMG LLP

Tampa, Florida  
March 1, 2023



**CERTIFICATION PURSUANT TO SECTION 302  
OF THE SARBANES-OXLEY ACT OF 2002**

**Certification**

I, Randall T. Jones, Sr., certify that:

1. I have reviewed this Annual Report on Form 10-K of Publix Super Markets, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 1, 2023

/s/ Randall T. Jones, Sr.  
Randall T. Jones, Sr.  
Chief Executive Officer

**CERTIFICATION PURSUANT TO SECTION 302  
OF THE SARBANES-OXLEY ACT OF 2002**

**Certification**

I, David P. Phillips, certify that:

1. I have reviewed this Annual Report on Form 10-K of Publix Super Markets, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 1, 2023

/s/ David P. Phillips

David P. Phillips

Executive Vice President, Chief Financial Officer and Treasurer

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

The certification set forth below is being submitted in connection with the Annual Report on Form 10-K of Publix Super Markets, Inc. (the Company) for the period ended December 31, 2022 (the Report) pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

I, Randall T. Jones, Sr., Chief Executive Officer of the Company, certify, to the best of my knowledge, that on the date hereof:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Randall T. Jones, Sr.

Randall T. Jones, Sr.  
Chief Executive Officer  
March 1, 2023

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

The certification set forth below is being submitted in connection with the Annual Report on Form 10-K of Publix Super Markets, Inc. (the Company) for the period ended December 31, 2022 (the Report) pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

I, David P. Phillips, Chief Financial Officer of the Company, certify, to the best of my knowledge, that on the date hereof:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ David P. Phillips

David P. Phillips  
Executive Vice President, Chief Financial Officer and Treasurer  
March 1, 2023

## **STOCKHOLDER INFORMATION**

### **Corporate Office**

Publix Super Markets, Inc.  
3300 Publix Corporate Parkway  
Lakeland, Florida 33811-3311  
(863) 688-1188

### *Mailing Address:*

Publix Super Markets, Inc.  
P.O. Box 407  
Lakeland, Florida 33802-0407

### **Stockholder Information**

The common stock of Publix Super Markets, Inc. is not traded on an established securities market and, therefore, does not have a “ticker” symbol. The Company serves as the registrar and stock transfer agent for its common stock.

For assistance on stock related matters please contact:

Publix Super Markets, Inc.  
Stockholder Services  
P.O. Box 32040  
Lakeland, Florida 33802-2040  
Phone: (863) 688-7407, ext. 52323 or  
toll-free (800) 741-4332 (outside of Lakeland)  
Fax: (863) 284-3302

### **Annual Meeting of Stockholders**

The Annual Meeting of Stockholders (Annual Meeting) will be held at the corporate office of the Company, 3300 Publix Corporate Parkway, Lakeland, Florida, on Tuesday, April 18, 2023, at 9:30 a.m. Eastern time.

### **Annual Meeting Materials**

On March 9, 2023, notices regarding the availability of online proxy materials (notices) or proxy materials were mailed or distributed to stockholders and ESOP participants. 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 notices and proxy materials provide the matters to be voted on at the Annual Meeting and instructions on how to vote.

### **Website Access to Reports**

The Company’s Annual Reports on Form 10-K, Proxy Statements, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and any amendments to those reports may be obtained electronically through the Company’s website at [corporate.publix.com/stock](http://corporate.publix.com/stock).

## BOARD OF DIRECTORS & OFFICERS



JESSICA L. BLUME



WILLIAM E. CRENSHAW

*Chairman of the Board*



JOSEPH DIBENEDETTO, JR.



MARK R. IRBY



HOWARD M. JENKINS



JENNIFER A. JENKINS



RANDALL T. JONES, SR.

*Chief Executive Officer*



STEPHEN M. KNOPEK



DAVID P. PHILLIPS  
*Executive Vice President,  
Chief Financial Officer  
and Treasurer*



MONICA A. ALLMAN  
*Vice President Benefits Administration*

NORMAN J. BADGER  
*Vice President Product Business Development,  
Grocery*

RANDOLPH L. BARBER  
*Vice President Industrial Maintenance  
and Purchasing*

ROBERT J. BECHTEL  
*Vice President Customer Experience*

ADRIAN BENNETT  
*Vice President Jacksonville Division*

MARCY P. BENTON  
*Vice President Human Resources*

DAVID E. BORNMANN  
*Senior Vice President*

MATTHEW I. CRAWLEY  
*Vice President Miami Division*

KYLE C. DAVIS  
*Vice President Distribution*

LAURIE Z. DOUGLAS  
*Senior Vice President, Chief Information  
Officer and Chief Digital Officer*

JOHN L. GOFF, JR.  
*Senior Vice President*

CHRISTOPHER P. HAAKE  
*Vice President Replenishment and  
Purchasing Support*

LINDA S. HALL  
*Vice President Internal Audit*

DOUGLAS A. HARRIS, JR.  
*Vice President Manufacturing*

KRIS JONCZYK  
*Vice President Atlanta Division*

ERIK J. KATENKAMP  
*Vice President Omnichannel and  
Application Development*

L. RENEE KELLY  
*Vice President Information Systems,  
Application Development*

MICHAEL E. LESTER  
*Vice President Distribution*

ROBERT J. MCGARRITY  
*Vice President Facilities*

CHRISTOPHER J. MESA  
*Vice President and Controller*

MERRIANN M. METZ  
*Senior Vice President, General Counsel  
and Secretary*

KEVIN S. MURPHY  
*President*

BRIGID A. O'CONNOR  
*Vice President Real Estate Strategy*

BRAD E. OLIVER  
*Vice President Product Business Development,  
Fresh Products*

JOHN F. PROVENZANO  
*Vice President Public Affairs*

WILLIAM W. RAYBURN, IV  
*Vice President Real Estate Assets*

MALINDA G. RENFROE  
*Vice President Marketing*

CHARLES B. ROSKOVICH, JR.  
*Vice President Charlotte Division*

DAIN RUSK  
*Vice President Pharmacy*

MARC H. SALM  
*Vice President Risk Management*

MARSHA C. SINGH  
*Vice President Lakeland Division*

MICHAEL R. SMITH  
*Senior Vice President*

D. DOUGLAS STALBAUM  
*Vice President and Controller*

STEVEN B. WELLSLAGER  
*Vice President Information Systems,  
Technology and Security*



**Publix**<sup>®</sup>

Publix Super Markets, Inc.  
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