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AFLAC INC  
Form DEF 14A  
March 23, 2007

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

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

Filed by the Registrant   
Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement  Soliciting Material Under Rule 14a-12
- Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials

AFLAC INCORPORATED

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(Name of Registrant as Specified In Its Charter)  
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(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

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- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

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

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the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or

schedule and the date of its filing.

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1) Amount previously paid:

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2) Form, Schedule or Registration Statement No.:

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3) Filing Party:

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4) Date Filed:

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**NOTICE AND PROXY STATEMENT**

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**AFLAC INCORPORATED**  
**Worldwide Headquarters**  
**1932 Wynnton Road**  
**Columbus, Georgia 31999**

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**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**  
**To Be Held on Monday, May 7, 2007**

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The Annual Meeting of Shareholders of Aflac Incorporated (the "Company") will be held on Monday, May 7, 2007, at 10:00 a.m. at the Columbus Museum (in the Patrick Theatre), 1251 Wynnton Road, Columbus, Georgia, for the following purposes, all of which are described in the accompanying Proxy Statement:

1. To elect 17 Directors of the Company to serve until the next Annual Meeting and until their successors are duly elected and qualified;
2. To consider and act upon the ratification of the appointment of KPMG LLP as independent registered public accounting firm of the Company for the year ending December 31, 2007; and
3. To transact such other business as may properly come before the meeting or any adjournment thereof.

The accompanying proxy is solicited by the Board of Directors of the Company. The Proxy Statement and the Company's Annual Report for the year ended December 31, 2006, are enclosed.

The record date for the determination of shareholders entitled to vote at the meeting is February 28, 2007, and only shareholders of record at the close of business on that date will be entitled to vote at this meeting and any adjournment thereof.

**YOUR VOTE IS IMPORTANT! WHETHER OR NOT YOU EXPECT TO BE PRESENT AT THE MEETING, PLEASE MARK, SIGN, DATE, AND RETURN THE ENCLOSED PROXY PROMPTLY IN THE ENCLOSED PREPAID ENVELOPE SO THAT WE MAY BE ASSURED OF A QUORUM TO TRANSACT BUSINESS. YOU MAY ALSO VOTE VIA THE INTERNET OR TELEPHONE. IF YOU ATTEND THE MEETING, YOU MAY REVOKE YOUR PROXY AND VOTE IN PERSON.**

By order of the Board of Directors,

Columbus, Georgia  
March 23, 2007

Joey M. Loudermilk  
Secretary

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**TABLE OF CONTENTS**

Solicitation and Revocation of Proxy	1
	2

Proposal 1 □ Election of Directors	3
Security Ownership of Management	6
Section 16(a) Beneficial Ownership Reporting Compliance	7
Corporate Governance	7
Board and Committees	9
Compensation Discussion and Analysis	11
Compensation Committee Report	19
2006 Summary Compensation Table	20
2006 Grants of Plan-Based Award	24
2006 Outstanding Equity Awards at Fiscal Year-End	26
2006 Option Exercises and Stock Vested	29
Pension Benefits	29
2006 Nonqualified Deferred Compensation	32
Potential Payments upon Termination or Change-in-Control	33
Director Compensation	37
Related Person Transactions	39
Equity Compensation Plan Information	40
Audit Committee Report	40
Proposal 2 □ Ratification of Appointment of Independent Registered Public Accounting Firm	41
Proposal 3 □ Other Matters	42

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**AFLAC INCORPORATED**

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**PROXY STATEMENT**

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**FOR ANNUAL MEETING OF SHAREHOLDERS  
TO BE HELD MONDAY, MAY 7, 2007**

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## SOLICITATION AND REVOCATION OF PROXY

This Proxy Statement is furnished to shareholders in connection with the solicitation of proxies by the Board of Directors of Aflac Incorporated (the "Company") for use at the Annual Meeting of Shareholders to be held on Monday, May 7, 2007, and any adjournment thereof, for the purposes set forth in the accompanying Notice of Annual Meeting of Shareholders and described in detail herein. The meeting will be held at 10:00 a.m. at the Columbus Museum (in the Patrick Theatre), 1251 Wynnton Road, Columbus, Georgia.

All properly executed proxies will be voted in accordance with the instructions contained thereon, and if no choice is specified, the proxies will be voted FOR the election of all nominees named elsewhere in this Proxy Statement and FOR approval of each other proposal set forth in the Notice of Meeting. Shareholders of record may also submit their proxies via the Internet or by telephone in accordance with the procedures set forth in the enclosed proxy. Any proxy may be revoked by the shareholder at any time before it is exercised by giving written notice to that effect to the Secretary of the Company or by submission of a later-dated proxy or subsequent Internet or telephonic proxy. Shareholders who attend the meeting may revoke any proxy previously granted and vote in person.

This Proxy Statement and the accompanying proxy are being delivered to shareholders on or about March 23, 2007.

### Solicitation of Proxies

The Company will pay the cost of soliciting proxies. The Company will make arrangements with brokerage firms, custodians, and other fiduciaries to send proxy materials to their principals by mail and by electronic transmission, and the Company will reimburse these entities for mailing and related expenses incurred. In addition to solicitation by mail and electronic transmission, certain officers and other employees of the Company may solicit proxies by telephone and by personal contacts. However, they will not receive additional compensation (outside of their regular compensation) for doing so. In addition, the Company has retained Georgeson Shareholder Communications Inc. to assist in the solicitation of proxies for a fee of \$9,000, plus reimbursement of reasonable out-of-pocket expenses.

### Proxy Materials and Annual Report

Shareholders may access the Company's Notice and Proxy Statement and Annual Report via Aflac's Web site, at [www.aflac.com](http://www.aflac.com) by clicking on the "Investors" page, and then clicking on "Company Financials." For future shareholder meetings, the Company's registered shareholders can elect to save the Company printing and mailing expenses by electing online access to their Proxy Statement, Annual Report, and other account mailings through **aflinc**, Aflac's online account management system. Shareholders that select this option will receive their proxies in the mail prior to each shareholder meeting, along with a notice of the meeting and instructions for voting by mail, telephone, or the Internet.

### Multiple Shareholders Sharing the Same Address

In accordance with a notice sent to eligible shareholders who share a single address, the Company is sending only one Annual Report and one Proxy Statement to shareholders who consented. This is known as "householding." However, if a registered shareholder residing at such an address wishes to receive a separate Annual Report or Proxy Statement, he or she may contact Aflac Incorporated Shareholder Services by phone at **800.235.2667 - Option 2**, by e-mail at **shareholder@aflac.com**, or by mail at the following address: 1932 Wynnton Road, Columbus, Georgia 31999. Registered shareholders who receive multiple copies of the Company's Annual Report or Proxy Statement may request householding by contacting Shareholder Services using the preceding options. Shareholders who own the Company's shares through a bank, broker, or other holder of record may request householding by contacting the holder of record.

In accordance with the Company's Articles of Incorporation, shares of the Company's Common Stock, par value \$.10 per share (the "Common Stock") are entitled to one vote per share until they have been held by the same beneficial owner for a continuous period of greater than 48 months prior to the record date of the meeting, at which time they become entitled to 10 votes per share. Any transferee of a share of Common Stock where such share was transferred to the transferee by gift, devise, or bequest, or otherwise through the laws of inheritance, descent, or distribution from the estate of the transferor, or by distribution to a beneficiary of shares held in trust for such beneficiary, is deemed to be the same beneficial owner as the transferor for purposes of determining the number of votes per share. Shares acquired as a direct result of a stock split, stock dividend, or other distribution with respect to existing shares ("dividend shares") are deemed to have been acquired and held continuously from the date on which the shares with regard to which the issued dividend shares were acquired. Shares of Common Stock acquired pursuant to the exercise of a stock option are deemed to have been acquired on the date the option was granted.

Shares of Common Stock held in "street" or "nominee" name are presumed to have been held for less than 48 months and are entitled to one vote per share unless this presumption is rebutted by providing evidence to the contrary to the Board of Directors of the Company. Shareholders desiring to rebut this presumption should complete and execute the affidavit appearing on the reverse side of their proxy. The Board of Directors reserves the right to require evidence to support the affidavit.

### Voting Securities

Holders of record of Common Stock at the close of business on February 28, 2007, will be entitled to vote at the meeting. At that date, the number of outstanding shares of Common Stock entitled to vote was 490,858,481. According to the Company's records, this represents the following voting rights:

436,842,647	Shares @	1	Vote Per Share	=	436,842,647	Votes
54,015,834	Shares @	10	Votes Per Share	=	540,158,340	Votes
490,858,481	Shares		Total		977,000,987	Votes

Shareholders shown above with one vote per share can rebut the presumption that they are entitled to only one vote as outlined in "Description of Voting Rights" above. If all of the outstanding shares were entitled to 10 votes per share, the total votes available would be 4,908,584,810. However, for the purposes of this Proxy Statement, it is assumed that the total votes available to be cast at the meeting will be 977,000,987.

The holders of a majority of the voting rights entitled to vote at the meeting, present in person or represented by proxy, shall constitute a quorum for the transaction of such business that comes before the meeting. Directors are elected by an affirmative vote of a plurality of voting rights cast. In the case of the election of Directors, in tabulating the vote, under applicable Georgia law, votes withheld will be disregarded and will have no effect on the outcome of the vote. Pursuant to the Company's Bylaws, approval of all other matters to be considered at the meeting requires the affirmative vote of holders of a majority of the voting rights present in person or represented by proxy at the meeting. A broker non-vote occurs when a nominee holding shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that item and has not received voting instructions from the beneficial owner. Broker non-votes and abstentions are counted as "shares present" at the meeting in determining whether a quorum exists. Broker non-votes, if any, have the effect of votes to withhold authority in connection with the election of Directors while broker-non-votes, if any, and abstentions have the effect of votes against other proposals at the meeting.

In October 2006, the Board adopted a Director Resignation Policy to provide that a nominee for director in an uncontested election who receives a greater number of votes "withheld" from his or her election than "for" his or her election will promptly tender his or her resignation to the Chairman of the Board. The Corporate Governance Committee will consider such resignation and within 45 days recommend to the Board whether to accept or reject it. In considering whether to accept or reject the tendered resignation, the Corporate Governance Committee will consider all factors deemed relevant by its members, including the stated reasons why shareholders "withheld" votes for election from such director, the qualifications of the director and whether the resignation would be in the best interest of the Company and its shareholders. The Board will formally act on the Corporate Governance Committee's recommendation no more than 75 days following the date of the shareholders' meeting at which the election occurred. The Company will, within four business days after such decision is made, publicly disclose in a Form 8-K filed with the Securities and Exchange Commission ("SEC"), the Board's decision,

along with a full explanation of the process by which the decision was made and, if applicable, the reasons for rejecting the tendered resignation.

Any director who tenders his or her resignation pursuant to this provision will not participate in the Corporate Governance Committee recommendation or Board consideration regarding whether or not to accept the tendered resignation. If a majority of

2

the members of the Corporate Governance Committee received a greater number of votes [withheld] than votes [for] their election at the same meeting, then the other directors will appoint an ad hoc Board committee consisting of such number of directors as they may determine to be appropriate, solely for the purpose of considering the tendered resignations. The other Directors will recommend to the Board whether to accept or reject them. Notwithstanding the foregoing, if an ad hoc Board committee would have been created but fewer than three directors would be eligible to serve on it, the entire Board (other than the director whose resignation is being considered) will make the determination without any recommendation from the Corporate Governance Committee and without the creation of an ad hoc Board committee.

### Principal Shareholders

No person, as of February 28, 2007, was the owner of record or, to the knowledge of the Company, beneficially owned 5% or more of the outstanding shares of Common Stock or of the available votes of the Company other than as shown below:

Name and Address of Beneficial Owner	Title of Class Common Stock	Amount of Beneficial Ownership		Percent of Class	Percent of Available Votes
		Shares	Votes		
FMR Corp* 82 Devonshire Street Boston, MA 02109	1 Vote Per Share	26,105,162	26,105,162	5.3	2.7
Daniel P. Amos** 1932 Wynnton Road Columbus, GA 31999	10 Votes Per Share 1 Vote Per Share	10,166,876 1,529,556	101,668,769 1,529,556		
		11,696,432	103,198,325	2.4	10.1

(\*) This information is derived from the Schedule 13G, dated February 14, 2007, and filed with the SEC by FMR Corp. According to the Schedule 13G, FMR Corp may be deemed to be controlled by Edward C. Johnson 3d and family members. Includes shares beneficially owned by various subsidiaries of FMR Corp.

(\*\*) See footnote 2 on page 6.

### 1. ELECTION OF DIRECTORS

The Company proposes that the following 17 individuals be elected to the Board of Directors of the Company. The persons named in the following table have been nominated by the Corporate Governance Committee of the Board of Directors for election as Directors and, if elected, are willing to serve as such until the next Annual Meeting of Shareholders and until their successors have been elected and qualified. It is intended that the persons named in the accompanying proxy, or their substitutes, will vote for the election of these nominees (unless specifically instructed to the contrary). However, if any nominee at the time of the election is unable or unwilling to serve or is otherwise unavailable for election, and as a result another nominee is designated, the persons named in the proxy, or their substitutes, will have discretionary authority to vote or refrain from voting in accordance with their judgment on such other nominees. The Board of Directors has no reason to believe that any of the persons nominated will be unable or unwilling to serve.

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE [FOR] THE ELECTION OF EACH OF THE FOLLOWING NOMINEES AS DIRECTORS.**

The following information is provided with respect to the nominees:

Name	Principal Occupation (1)	Age	Year First Elected	Shares of Common Stock Beneficially Owned on February 28, 2007		Voting Rights on February 28, 2007
				2007 Outstanding Shares	Percent of	on
Daniel P. Amos	Chairman, the Company and Aflac;** Chief Executive Officer (□CEO□), the Company and Aflac; President, Aflac, until January 2007; Director, Synovus Financial Corp., Columbus, GA	55	1983	11,696,432	2.4	103,198,325
John Shelby Amos II	Alabama/West Florida State Sales Coordinator, Aflac	54	1983	1,293,262	.3	12,899,053
Paul S. Amos II	President, Aflac, since January 2007; Chief Operating Officer, Aflac U.S., since February 2006; Executive Vice President, U.S. Operations, Aflac, from January 2005 until January 2007; Georgia North State Sales Coordinator, Aflac, from November 2002 through December 2004	31	(3)	3,523,308	.7	35,044,519
Yoshiro Aoki	President, Seiwa Sogo Tatemono Co., Ltd., Tokyo, Japan, since June 2005; Corporate Auditor, Chuo Real Estate Co., Ltd., and Yushu Corp., Tokyo, Japan, since June 2006; Deputy President, Mizuho Research Institute Ltd., Tokyo Japan, from April 2004 until June 2005; Senior Managing Director, Mizuho Bank, Ltd., Tokyo, Japan, from April 2002 until April 2004; Senior Managing Director, The Dai-ichi Kangyo Bank, Ltd., Tokyo, Japan, from April 2001 until April 2002	61	(3)	3,328,784	.7	33,287,840
Michael H. Armacost	Shorenstein Distinguished Fellow, Stanford University Asia-Pacific Research Center, Stanford, CA, since September 2002; President, The Brookings Institution, Washington, DC, until June 2002; Director, Applied Materials, Inc., Santa Clara, CA; Director, USEC Inc., Bethesda, MD; Former U.S. Ambassador to Japan	69	1994	43,494	*	407,940
Kriss Cloninger III	President, the Company; Chief Financial Officer (□CFO□), the Company and Aflac; Treasurer, the Company; Executive Vice President, Aflac; Director, Tupperware Brands Corporation, Orlando, FL; Director, Total System Services, Inc., Columbus, GA	59	2001	1,536,272	.3	11,919,211

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Joe Frank Harris	Distinguished Executive Fellow, Georgia State University, Atlanta, GA; Chairman of the Board, Harris Georgia Corp., Cartersville, GA; Former Governor of the State of Georgia	71	1991	80,498	*	777,980
Elizabeth J. Hudson	Executive Vice President, Communications, National Geographic Society, Washington, DC	57	1990	106,743	*	1,040,430
Kenneth S. Janke Sr.	Chairman Emeritus, National Association of Investors Corp. (NAIC), Madison Heights, MI, since October 2006; Chairman, NAIC, from February 2002 until October 2006; President and Director, NAIC Growth Fund, Madison Heights, MI	72	1989	151,789	*	1,459,121

4

<b>Name</b>	<b>Principal Occupation (1)</b>	<b>Age</b>	<b>Year First Elected</b>	<b>Shares of Common Stock Beneficially Owned on February 28, 2007 (2)</b>	<b>Percent of Outstanding Shares</b>	<b>Voting Rights on February 2007</b>
Douglas W. Johnson	Retired, Audit Partner, Ernst & Young, Atlanta, GA, until June 2003	63	2004	17,129	*	
Robert B. Johnson	Chairman, One America Foundation, Washington, DC, since February 2003; Senior Vice President/Senior Counselor, Porter NOVELLI (Int'l), Washington, DC, from May 2003 until November 2003; Executive Vice President, BICO Inc., Washington, DC, from February 2001 until February 2003; Assistant to the President of the United States, Washington, DC, until	62	2002	25,565	*	2