Over the past three years, we have made great strides in advancing our Moving to Equity work. While diversity, equity and inclusion have been a longstanding part of Our Values, we vowed in 2020 to be more intentional and move boldly forward in our actions.

This second Moving to Equity report details the progress and impact we have made across our five equity pillars. Though we have made impactful and measurable progress and I am proud of what we have accomplished, there is still work to be done. We will continue to be steadfast and persistent as we advance equity every day.

We are committed to making this work a sustaining effort, because, in the end, everyone will be better off for it.

Tom Fanning
Chairman, President and CEO
Southern Company

Editor's Note:
On Thursday, Jan. 5, the Southern Company board of directors announced a succession plan for Chairman, President and CEO Tom Fanning, which impacts several leaders mentioned in this report. Notably, Georgia Power Chairman, President and CEO Chris Windom will become Southern Company president March 31 and CEO following Southern Company’s 2023 Annual Meeting of Stockholders. For this report, these leaders are identified by their roles at the time of publication.

Southern Company is a holding company that conducts its business through its subsidiaries. References in this report to Southern Company’s operations, such as employment practices, refer to those operations conducted through its subsidiaries.
Where we started and where we are going

In 2020, Southern Company started a journey we call Moving to Equity to build on years of work around diversity and inclusion. We deployed resources both across our company and in our communities to advance equity and social justice. We wanted to create a workplace and a world where all feel welcomed, valued, respected and engaged.

To that end, we formalized commitments and actions to advance equity and have made this work an enduring part of the values we live every day.

Listening, learning and understanding

We started this work simply by listening and engaging employees in candid conversations that acknowledged the cumulative and compounded effects of racism, discrimination, bias and barriers across institutions and society. Focus was placed on listening, learning and understanding the reality of these barriers, raising awareness and creating opportunities for improvement.

Our focus areas

To make our vision of equity a reality, we enacted a framework to guide our business through this process. The framework helps ensure a continued and coordinated focus and also details our work to achieve these goals through five commitment areas: talent, work environment, supplier inclusion (formerly supplier diversity), civic engagement (formerly political engagement), and community investment and social justice.

An internal team of employees continually oversees our ongoing efforts, including senior leaders, representatives from each business unit and subject matter experts. All employees are expected to embrace our equity ideas and hold each other accountable for our success. We have purposefully chosen this structure, rather than a separate diversity, equity and inclusion team, to ensure the work we are aiming to accomplish has leaders and buy-in throughout the Southern Company system.

Holding ourselves accountable

For each of the five commitment areas, we developed key performance indicators to track our progress, highlight key results and ultimately hold ourselves accountable. We also implemented controls and governance processes to help ensure the data we report is complete and accurate. We plan to continue to report additional benchmarks in 2023 and beyond as we implement further data process enhancements.

We also launched the Boldly Forward website in 2022 to provide more frequent updates on our Moving to Equity work and diversity, equity and inclusion initiatives.

MOVING TO EQUITY FRAMEWORK

TALENT

Our commitment is to increase and improve outreach, recruitment, hiring and retention of diverse talent, ensure equity in leadership development programs, and develop diverse candidate slates for leadership roles.

WORK ENVIRONMENT

We are committed to promoting an actively anti-racist culture and ensuring all groups are well-represented, included and fairly treated. We want everyone to feel welcomed, valued, respected and heard.

SUPPLIER INCLUSION

We have a goal to increase total diverse spending to 30% by 2025 and to do business with more diverse companies in our industry and communities.

CIVIC ENGAGEMENT

We are committed to leveraging our influence to address inequity and systemic racism in society and will make political and policy decisions using a consistent process that incorporates Our Values like unquestionable trust and total commitment.

COMMUNITY INVESTMENT AND SOCIAL JUSTICE

We and our foundations have pledged $225 million through 2025 to advance equity and social justice in our communities. We have aligned our volunteer, giving and community investment strategies to four key areas: education equity, criminal justice equity, economic empowerment and energy empowerment.
Company leaders discuss progress and challenges with inspiration from the National Center for Civil and Human Rights

The Southern Company Moving to Equity team met in-person in September to discuss the company’s progress and the road ahead in advancing equity within our company and communities. The meeting was held at the National Center for Civil and Human Rights in Atlanta, a space dedicated to achievements of both civil rights in the United States and broader human rights worldwide.

The Moving to Equity team includes Southern Company Management Council, senior leaders from operating companies and affiliates and subject matter experts from Southern Company’s five focus areas of talent, work environment, supplier inclusion, civic engagement and community investment and social justice.

“As we do this work, it’s important to have these check-ins. The National Center for Civil and Human Rights was founded on the essence of civil and human rights, in America and across the world,” said Chris Womack, Georgia Power chairman, president and CEO. “We thought it was important to be in this place to ask ourselves if we are on track and to remind ourselves that this work is incredibly important.” The meeting was the second time the full group has met in person since Moving to Equity was launched in 2020 amid nationwide conversations on racial injustice in society.

The group discussed progress across the five pillars like increases in the number of applicants from traditionally underrepresented groups hired since the company started using a redacted resume process. They also considered opportunities and challenges like closing the gap to the 2025 supplier diversity goal of 30 percent amid nationwide supply chain issues. The group reviewed results of the recent systemwide diversity, equity and inclusion (DE&I) survey and had a DE&I-focused session facilitated by center staff members.

We are committed to equity. Here are some of the actions we took in 2022 to advance equity within our company and in our communities.

- **No. 1**
  - Top Company for Black Executives by DiversityInc

- **No. 2**
  - Best Large Employer in America by Forbes magazine for 2022

- **1000+** Members added to our employee-led groups

- **$2.1B** spent with diverse suppliers in 2022

- **$76.4M** invested this year in our communities to advance equity and social justice

- **31** diverse companies mentored in our Supplier Diversity Business Development Program

Follow our Moving to Equity journey throughout the year at southerncompany.com/boldlyforward
TALENT

Working to recruit and develop diverse talent at all levels of our company to ensure that the diverse communities we serve are reflected in our workforce.

Our Goal

Southern Company commits to being a diverse, equitable and inclusive workplace. This means increasing and improving outreach, recruitment, hiring and retention of diverse talent at all levels of our workforce, helping ensure equity in leadership development programs, and seeking diverse candidate pools for all roles.

Our Impact

Attracting and hiring diverse talent remains top priority. Southern Company’s commitment to attracting and hiring diverse talent remains a top priority. The company expanded its recruiting partnerships with historically Black colleges and universities (HBCUs) in 2022, through on-campus recruiting activities at new schools and broader partnerships with targeted HBCUs in our footprint.

We also expanded our efforts with other underrepresented talent segments including Asian, Hispanic and women engineers through various association and recruiting conferences. Our focus on veteran talent continues to be a primary focus too, with intentional outreach at 46 military installations and partnerships with local Guard and Reserve units.

Additionally, the company partnered with several key technical colleges in developing and enhancing technical trade certification programs to ensure a strong talent pool. Beyond our efforts to ensure we had a diverse, qualified and engaged talent source at the top of the recruiting funnel, the company implemented several process changes to prevent bias in the screening and selection process, including required training for all hiring managers and leveraging redacted resumes throughout the screening process.

The company’s commitment to being a diverse, equitable and inclusive workplace, along with the above-mentioned intentional efforts, produced strong interviewing and hiring results among all demographics in 2022.

Southern Company commits to advancing diversity in skilled trades. Southern Company partnered with two organizations, TradesFutures and Helmets to Hardhats, to create opportunities for underrepresented communities and veterans through $100,000 in grants last spring.

The support is a partnership with North America’s Building Trades Unions to offer apprenticeship readiness programs across the Southeast. The programs are designed to prepare students with knowledge and hands-on training for careers as skilled tradespeople.

“These successful apprenticeship readiness programs throughout the U.S. are changing thousands of lives, and these programs could not happen without the support of partners like Southern Company,” said North America’s Building Trades Unions President Sean McGarvey. “We know the power of investing in local workers to strengthen our workforce pipeline, and we are grateful for the longstanding commitment by Southern Company to do it with us.”

Area of Opportunity

As we continue to make progress with representation by attracting talent, our data indicates we have opportunities for improvement in retention. Non-retirement turnover for people of color and women was higher than their workforce representation. We will continue to work to ensure equity in our talent programs and will support efforts that foster an inclusive workplace where people feel like they belong.

Looking Ahead

We will expand our engagement with other marginalized groups with more options for self-identification, recruitment, development, education and awareness.

Overall representation of people of color and women both increased from the prior year

<table>
<thead>
<tr>
<th>People of Color</th>
<th>+.8 to 30.1%</th>
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</thead>
<tbody>
<tr>
<td>Women</td>
<td>+.4 to 26.1%</td>
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No. 1 Top Company for Black Executives by DiversityInc

46 military installation and partnerships as we continue to focus on veteran recruitment

<table>
<thead>
<tr>
<th>Talent Profile</th>
<th>2022</th>
<th>2021</th>
<th>2020</th>
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</thead>
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<tr>
<td>Women as a percent of workforce</td>
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<tr>
<td>Women as a percent of management</td>
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<tr>
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<tr>
<td>People of color as a percent of workforce</td>
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<tr>
<td>People of color as a percent of management</td>
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<tr>
<td>People of color as a percent of new hires</td>
<td>46%</td>
<td>46%</td>
<td>39%</td>
</tr>
</tbody>
</table>

1 Management is defined as any employee with direct reports

2022 Results

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More than 8,600 employees completed the survey. Those results show 81% of employees reporting participated in DE&I development in the last 12 months and 90% reported being aware of the company’s DE&I commitments. Additionally, 83% of employees agreed they feel respected at work and 81% agreed with feeling like they belong at work.

Area of Opportunity

Across the company, employee resource groups, councils and networks bring employees together to cultivate inclusion and a healthy work environment. We want to make sure employees continue to be engaged and aware of opportunities within these employee-led groups.

Looking Ahead

We will continue building our equity and inclusion muscle by ensuring we offer a wide variety of training, programs and events for our employees, championed by a diverse team of leaders across our footprint.
Suppliers are key to Southern Company’s success, so we have a goal of increasing our total diverse spending to 30% by 2025. We have increased our spending with diverse businesses to 28% through 2022. We have also supported programs that mentor and develop diverse and small businesses and are further driving equity through our majority-owned supplier base.

**Our Impact**

Program connects 31 diverse business proteges with Southern Company mentors

The Supplier Diversity Business Program that connects 31 diverse business owners and leaders with more than 50 mentors from across Southern Company continued in 2022. The 18-month program helps Southern Company build strong partnerships with small and diverse businesses and increases diverse supplier visibility.

The program is yielding results for the proteges. One example is D&R Construction and Contracting, LLC, which was first awarded a $70,000 job at Plant Scherer in Georgia in 2020. Since then, their business with our company has grown to more than $3.3 million in 2022, with work on multiple generation and hydro projects while also serving on the Southern Safety Tri-Lateral committee.

“*Their story is one that we want to replicate for other diverse suppliers as we strive to make doing business with us accessible to all,*” said Michael Burroughs, Plant Scherer manager. “Our goal is to support these companies and equip them with the tools and networks they need for success.”

**What supplier development success looks like**

Here are some stories from across Southern Company that reflect successful outcomes from our supplier development efforts.

- **Pierce Powerline**, a minority, woman-owned business started in March 2022 with three crews and is now up to 22 crews with Power Delivery.
- **WEBMyers Construction**, an Atlanta-based minority business enterprise (MBE) supplier, was used for upgrades to the Georgia Power Conference Center.
- Mississippi Power expanded an agreement with **Spartan Eagle Sinyard Construction**, a MBE supplier and veteran-owned company, for a cable project.

**Our Goal**

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**Looking Ahead**

We will continue engaging local, small and diverse businesses through mentorship and project opportunities and improve our analytics by including both lagging (diverse spend percentage) and leading (supplier development dimensions) metrics in our reporting.

**CJ’s Ventures**, an Alabama-based MBE and participant in Southern Company’s Supplier Business Development Program, has been awarded several long-haul fiber projects.

**Dawood Engineering**, first introduced to Nicor Gas at an Illinois Utility Business Diversity Council event in 2019, has grown into one of Nicor’s primary suppliers.

**Area of Opportunity**

We need to reimagine supplier development by making sure suppliers understand our business processes. This demystifies the bid process to make supplier engagement more equitable.

The Edison Electric Institute recognizes Southern Company with its 2022 Business Diversity Excellence Award.
Our Goal
Southern Company has advocated for equity through our civic engagement, policy positions and ongoing public dialogues. To do this, Our Values of Unquestionable Trust and Total Commitment have consistently informed our civic engagement, and we have leveraged our influence to advocate for equity and positive change.

Our Impact
Meeting brings stakeholders to the table During a meeting with stakeholders in May, Southern Company CEO Tom Fanning discussed the energy transition’s impact on low-income customers and reviewed data highlighting the link between poorly insulated housing, energy burdens and discriminatory practices in banking and government programs.

Fanning and other Southern Company participants also discussed the importance of weatherization and the Low-Income Home Energy Assistance Program (LIHEAP) in helping address historical deficiencies and in helping low-income customers in the future.

In the days following the stakeholders meeting, Fanning spoke with Senate Energy and Natural Resources Committee Chair Joe Manchin to advance Southern Company’s advocacy on ways the federal government can provide more resources for low-income energy assistance, including LIHEAP and weatherization.

“It’s important to us to do the forum because it helps to foster constructive dialogue and durable relationships of trust between us and our stakeholders. We get to hear about our stakeholders’ concerns and they get a better understanding of the things we’re working on,” said Jim Kerr, Southern Company executive vice president, chief legal officer and chief compliance officer.

Southern Company engages at COP27
The Conference of Parties (COP) is an annual meeting of governments that have signed the UN Framework Convention of Climate Change (UNFCCC) to discuss how to jointly address climate change, mainly related to the Paris Agreement.

The conference is attended by government leaders as well as representatives from businesses, non-governmental organizations, media and others.

Representing Southern Company at COP27 in Egypt last November were Dr. Mark Berry, senior vice president of Research and Development, and Melissa Horton, senior director of Governmental Affairs. They were joined by other electric utilities and organizations like Edison Electric Institute and the Electric Power Research Institute (EPRI).

Dr. Berry spoke on a panel discussion on resilience in the power sector at the invitation of EPRI and separately on the clean energy transition and how Southern Company is committed to advancing racial equity and social justice.

Area of Opportunity
Impacting policy decisions takes patience and commitment to stay engaged in the conversation. As a founding member of the Bipartisan Policy Center’s Alliance, we continue to work with partners and policymakers to support ideas that promote equity, health and opportunity for all Americans.

Looking Ahead
We will work to find ways to integrate our Moving to Equity commitments with the application of federal grants and appropriation of funding.
Our Goal

Southern Company and our charitable foundations have committed $225 million through 2025 to advance equity and social justice in our communities. We have been vocal and clear about our equity beliefs and have aligned our volunteering, giving and community investment strategies to four key pillars to maximize impact: education equity, criminal justice equity, economic empowerment and energy empowerment.

Our Investment

$225M committed through 2025 to advance racial equity and social justice

- $25M to energy empowerment
- $100M to education equity
- $50M to criminal justice equity
- $50M to economic empowerment

Our Impact

PROPEL will prepare HBCU students for careers

PROPEL, a first-of-its kind technology and innovation hub for historically Black colleges and universities (HBCUs), announced the location of its physical campus within the Atlanta University Center last fall.

“This is a thrilling and pivotal next step in the construction of the Propel Center's physical campus,” said Tom Fanning, chairman, president and CEO of Southern Company. “As a founding partner, we are honored for the opportunities to help forge change and make intentional investments that advance equity in education for the entire community of HBCU students.”

Though its physical campus will be in Atlanta, PROPEL will support the entire HBCU community, which includes more than 100 colleges and universities, through a robust virtual platform accessible to all HBCU students and faculty.

2022 Results

Southern Company system met or exceeded its 2022 annual giving targets toward our investment pillars

$76.4M invested this year to advance racial equity and social justice

> $142M invested in total since 2021 as part of our $225M by 2025 pledge

Watch Southern Company and other partners present surprise scholarship to future HBCU student during HBCU Week at Walt Disney World Resort.

Southern Company joined Apple as founding partners in 2020. As part of the partnership, the Southern Company Foundation provided a $25 million investment.

Earlier in 2022, the Southern Company Foundation also announced $10 million in grants to foster HBCU talent and job training in the communities that surround their campuses and fund four sustainability professorships. The grant was a partnership with INROADS, Inc; United Negro College Fund; and the Thurgood Marshall College Fund.
Nicor Gas partners with Habitat for Humanity to build homes in Chicagoland

Nicor Gas, the largest natural gas provider in Illinois, and Southern Company announced in the fall of 2022 a new partnership with two Habitat for Humanity affiliates to develop Smart Neighborhood™ communities dedicated to providing affordable, net zero greenhouse gas emissions housing options in the Chicagoland area.

The two planned communities, with groundbreakings scheduled for 2023 and 2024, will have a total of 30 single-family homes equipped with a combination of renewable, electric and natural gas technologies.

“At Habitat for Humanity, we are excited to work alongside Nicor Gas to create a pathway to strength, stability and independence through homeownership,” said Jeffrey Barrett, executive director and CEO of Fox Valley Habitat for Humanity. “This collaboration represents a unique opportunity to advance the adoption of net zero energy solutions, while making them available to individuals who ordinarily could not afford them.”

At-Promise Initiative reaches out to at-risk youth

Georgia Power is a supporter of the Atlanta Police Department Foundation and its At-Promise Initiative, which aims to keep young people out of the criminal justice system.

Youth referred to the program are given an individualized plan of services from more than 30 social service agencies. This includes therapy, mentoring and GED classes, workforce skills development and more. More than 1,800 young people have participated in the program, which has seen a recidivism rate of 4% compared to a national average of 70% and a high school graduation rate of 92%.

Bronze Valley invests in Alabama startups and entrepreneurs

The Bronze Valley Accelerator, supported by Alabama Power and other partners, continues to invest in startups, giving entrepreneurs access to capital and coaching and a national network of mentors, customers, corporate partners and investors.

The startups, recruited from Alabama and throughout the Southeast, represent a wide variety of industries. The program focuses on supporting female entrepreneurs and entrepreneurs of color and is designed to help startups gain early customer traction and establish metrics that can make them competitive applicants for full-time, equity-based accelerators or for seed investment.

With five new investments through October 2022, Bronze Valley has supported 17 companies since 2017.

“We are here to be a catalyst for growth and opportunity, which includes providing support for companies headed by women and people of color whom we believe can become a force in technology-related fields,” said Neill Wright, president and CEO of Bronze Valley.

Area of Opportunity

We are working across the company to further define energy empowerment and how to continue to invest in supporting our customers and communities in this space.
Follow Our Journey
Boldly Forward

Southern Company launched a new website detailing our work of building equity in the company and our communities. The Boldly Forward site provides updates on our Moving to Equity journey and diversity, equity and inclusion initiatives.

“The Boldly Forward mantra perfectly describes our path onward and continued commitment to equity at Southern Company,” said Tom Fanning, Southern Company chairman, president and CEO.

The Boldly Forward site includes information on the Southern Company system’s culture, community impact, work to advance education equity and civic engagement. This includes investing in Historically Black Colleges and Universities and the Amplifying HBCU initiative to create a more inclusive workforce for the future.

“The Boldly Forward site is another tool we will use to track and report on our progress as we continue to hold ourselves accountable in this work,” Fanning said.

For further reading and information about our equity and sustainability efforts, visit our data, downloads and reports page.

For our equity journey throughout 2023 on our Boldly Forward site
For more than a century, Southern Company has been building the future of energy. We deliver the energy resources and solutions our customers and communities need to drive growth and prosperity. How we do our work is just as important as what we do. Our uncompromising values are key to our sustained success. They guide our behavior and ensure we put the needs of those we serve at the center of all we do.

At Southern Company, Our Values guide us to make every decision, every day, in the right way.

**SAFETY FIRST**
We believe the safety of our employees and customers is paramount. We will perform and maintain every job, every day, safely.

**UNQUESTIONABLE TRUST**
Honesty, respect, fairness and integrity drive our behavior. We keep our promises and ethical behavior is our standard.

**SUPERIOR PERFORMANCE**
We are dedicated to superior performance throughout our business. We will continue our strong focus on innovative solutions, improving how we run our business and our commitment to environmental stewardship.

**TOTAL COMMITMENT**
We are committed to the success of our employees, our customers, our shareholders and our communities. We fully embrace, respect and value our differences and diversity.