

2022
Year in Review

History in the Making

 Southern Company



A message from Tom

Southern Company experienced another exceptional year in 2022. Our success is due to an unwavering commitment to Our Values. We keep customers at the center of everything we do as we put Safety First, operate with Unquestionable Trust, deliver Superior Performance and maintain Total Commitment.

Throughout our business, we provide customers the clean, safe, reliable and affordable energy solutions that make their lives better. This includes meeting all-time peak energy demands amid record-breaking June and December temperatures, and continuing progress on the country's first new nuclear units in 30 years. At the same time, we are improving how we run our business, from our focus on innovative solutions to exemplary customer service.

In February, we were named by Forbes magazine as the No. 2 Best Large Employer in America. Being recognized among the very best in the nation in anything is an absolute honor, but superior achievement on this prestigious list is especially gratifying because it was directly based on employee sentiment.

Our accomplishments this year were nothing short of historic. I am so proud to be part of the great Southern Company team.

Tom Fanning

Chairman, President & CEO | Southern Company

Reliability and Resilience

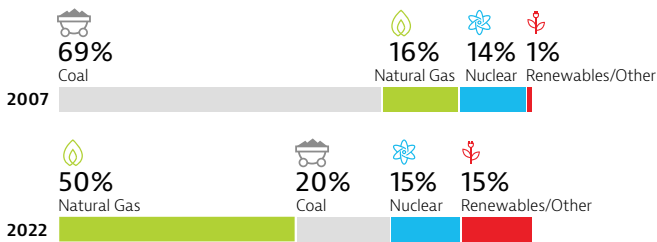
- ▶ Our Operations team, generation fleet and power delivery system performed exceedingly well in 2022, which included meeting an all-time peak load of 41,376 megawatts on June 15 amid a scorching start to summer and a frigid Christmas weekend that pushed electricity demand to a preliminary system peak of 37,577 megawatts - a December record for the Southern Company system.
- ▶ Through 2026, the Southern Company system plans to invest \$17 billion across our electric transmission and distribution systems to modernize our grid and build resilience.

Plant Vogtle Units 3 & 4

- ▶ Fuel load was completed at Vogtle Unit 3 in October, marking a historic milestone toward startup and commercial operation of the first new nuclear units built in the U.S. in a generation.
- ▶ Once Vogtle units 3 & 4 are online, they will provide affordable, reliable and emissions-free electricity for the next 60-80 years.
- ▶ The two new units are expected to power more than 500,000 homes and businesses and will play a vital role in our transition to a net zero future.
- ▶ Work on the new Vogtle units has continued with more than 70 million safe hours without a lost time incident logged as we remain committed to keeping Safety First and doing things the right way, every day.

Net Zero by 2050

Annual Electricity Energy Mix^[1]

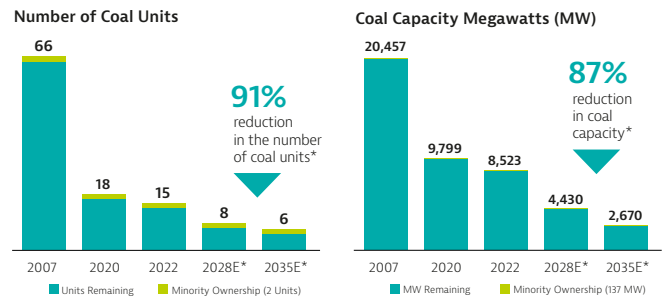


[1] Annual energy mix represents all of the energy the Southern Company system uses to serve its retail and wholesale customers during the year. It is not meant to represent delivered energy mix to any particular retail customer or class of customers. Annual energy mix percentages include non-affiliate power purchase agreements. Renewables/Other category includes wind, solar, hydro, biomass and landfill gas. With respect to certain renewable generation and associated renewable energy credits (RECs), to the extent an affiliate of Southern has the right to the RECs associated with renewable energy it generates or purchases, it retains the right to sell the energy and RECs, either bundled or separately, to retail customers and third parties.

- ▶ The Southern Company system has a goal of net zero greenhouse gas (GHG) emissions by 2050 and an intermediate goal to reduce GHG emissions 50% by 2030 relative to 2007 levels. We expect to sustainably achieve a 50% reduction by 2025, if not sooner.
- ▶ Southern Company continues to reduce the number of generating units in our coal fleet. By the end of 2028, pending regulatory approval, we expect our system to have only eight coal units remaining, down from 66 in 2007.
- ▶ Southern Company Gas is working to accelerate GHG reductions across sectors. Voluntarily tracking and reporting additional emissions beyond existing EPA requirements, we have infrastructure

investments to date that yield a system more than 99.8% efficient, corresponding to a 0.195% methane emissions intensity rate for 2021 – well below ONE Future’s 2025 goal for local distribution companies of 0.44%.

Reduction in Coal Generation^[2]

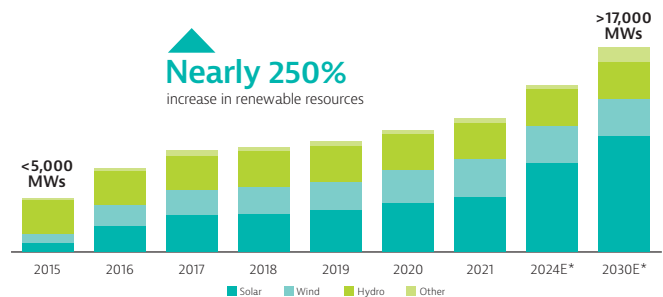


[2] Reflects Effluent Limitations Guidelines compliance filings made by Southern Company’s traditional electric operating companies, as well as the 2021 Integrated Resource Plan (IRP) for Mississippi Power and the 2022 IRP for Georgia Power. Units are expected to be either retired or repowered to burn natural gas during peak loads. Minority ownership units are subject to compliance decisions made by majority owners.

*For 2028, regulatory approvals have already been received to reduce the total number of coal generating units to 10. In its 2022 IRP, Georgia Power requested to retire Plant Bowen Units 1&2 by 2028 and expects this request to be considered in future regulatory proceedings. In addition, Georgia Power’s planning assumption includes the retirement of Plant Bowen Units 3&4 by 2035, which would also require regulatory approval.

- ▶ Southern Company continues to expand the use of renewables and estimates renewable generation to increase to more than 17,000 megawatts by 2030, up from less than 5,000 megawatts in 2015.

Southern Company Renewables Growth^[3]



[3] Includes owned and contracted resources including 100% capacity for jointly owned projects. With respect to certain renewable generation and associated RECs, to the extent an affiliate of Southern Company has the right to the RECs associated with renewable energy it generates or purchases, it retains the right to sell the energy and RECs, either bundled or separately, to retail customers or third parties. Other includes battery storage, landfill gas and biomass.

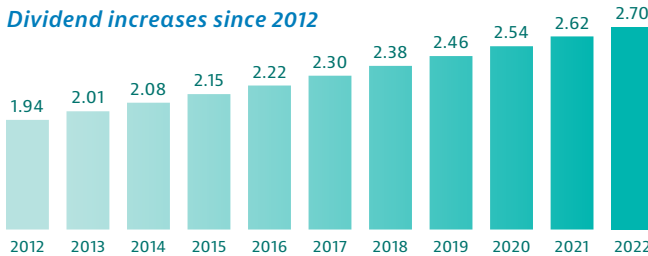
*Future estimates include owned and contracted capacity that have received regulatory approval. Additional renewable resources could be added prior to 2030 at Southern Power or at our operating companies, should they be proposed and approved through regulatory processes.

Our Value Proposition

- ▶ Southern Company increased its dividend by 8 cents per share on an annualized basis to a rate of \$2.70 per share marking the 21st consecutive year of a raised dividend on the common stock.

Financial Performance:

Dividend increases since 2012



2022 Stock Performance

SO	+4.1%
UTY	-2.3%
Dow	-8.8%
S&P 500	-19.4%
Nasdaq	-33.1%

As of Dec. 31, 2022

- ▶ The Georgia Public Service Commission approved Georgia Power's request to continue making essential, critical investments needed to meet our customers' evolving energy needs, both today and for years to come. These investments include strengthening and further securing the electric grid, transforming its power generation to include cleaner and more economical energy resources and improving and expanding service to customers.
- ▶ Filings approved in 2022 by regulators in Georgia, Tennessee and Virginia will allow Southern Company Gas to continue to enhance safety, modernize gas infrastructure and improve reliability in those three states.

Innovation and R&D

- ▶ Georgia Power and Mitsubishi Power, along with the Electric Power Research Institute, successfully validated hydrogen fuel blending with natural gas in June at Plant McDonough-Atkinson. The project was the first to demonstrate a blend of 20% hydrogen on an advanced-class natural gas turbine in North America resulting in a 7% reduction in GHG emissions compared to a unit that only burns natural gas. The demonstration paves the way for more research on long-term clean and carbon-free use of existing infrastructure.

- ▶ Southern Company and TerraPower completed installation of the Integrated Effects Test in October at TerraPower's lab in Everett, Washington, a key step in developing the Molten Chloride Fast Reactor – one of the most advanced Generation-IV nuclear technologies under development. The test is the world's largest chloride salt system developed by the nuclear sector and culminates years of separate effects tests. The research is expected to deliver a commercial-scale, cost-effective, carbon-free molten salt reactor energy source by 2035.
- ▶ Southern Company and other major Southeastern utilities established a hydrogen hub coalition in November to focus on developing hydrogen projects across the region.
- ▶ The National Carbon Capture Center (NCCC), managed and operated by Southern Company on behalf of the U.S. Department of Energy, continues to find breakthroughs in reducing GHG emissions from fossil fuel-based power plants and works to advance carbon utilization and direct air capture solutions. Research in 2022 included a novel algae culture system to capture carbon dioxide from power plant flue gas and, in turn, produce valuable products. Another NCCC technology developer, CarbonBuilt, achieved the first commercialization of its revolutionary low-carbon concrete technology.

- ▶ Southern Company and the PGA Tour partnered to deliver the first net zero energy TOUR championship in August.



- ▶ The Southeast Energy Exchange Market (SEEM), of which Southern Company is a founding member, started operation in November. The exchange facilitates sub-hourly, bilateral trading, allowing participants to buy and sell power close to the time the energy is consumed. SEEM lowers costs to customers, optimizes renewable energy resources and helps maintain reliable service.

- ▶ In December, Mississippi Power supported the chartering of the first electric school bus in the state of Mississippi. The full-size Thomas C-2 Jouley all-electric bus replaces a diesel bus and will transport students within a 138-mile range on a single charge.
- ▶ Southern Company Gas is working to bring the renewable natural gas production potential across our territories to market. This could lead to significant emissions reductions, job creation and economic investment.

Moving to Equity

- ▶ Southern Company published its first [Moving to Equity](#) report in February, detailing our diversity, equity and inclusion work and launched the website [Boldly Forward](#) in July to track our progress across our five pillars.
 - Moving to Equity pillars
 - Talent
 - Workplace Environment
 - Community Investment and Social Justice
 - Civic Engagement
 - Supplier Inclusion
- ▶ Southern Company was honored in May by the Edison Electric Institute with the 2022 Business Diversity Excellence Award. The award recognizes work in supplier diversity and economic impact. The Southern Company system has a goal of increasing total spending with diverse suppliers to 30% by 2025.
- ▶ A site at the Atlanta University Center was announced in September as the future home of PROPEL, a technology and innovation hub for historically Black colleges and universities. PROPEL is a partnership between Southern Company and Apple with each contributing \$25 million. Though the physical campus will be in Atlanta, PROPEL will virtually support the entire HBCU community, including more than 100 colleges and universities.



- ▶ Southern Company presented the inaugural Charlie Sifford Award to Renee Powell, the second African American woman to ever compete on the LPGA TOUR. The award honors individuals who have helped advance diversity in golf.
- ▶ The Southern Company Foundation provided \$500,000 in grants last spring to help Ukrainians impacted by the war with Russia through the American Red Cross and Care International. Southern Company employees joined the cause by donating an additional \$80,000, which was matched by the foundation.
- ▶ Energy assistance programs like Project SHARE have helped ease inflationary pressures for customers, especially those in need. For example, in March, Nicor Gas in Illinois made an additional \$1 million donation to The Salvation Army's Shield of Caring program to help assist customers impacted by the global health and financial crises. That's in addition to \$5 million contributed in 2021.

Accolades earned in 2022

Southern Company was named the **No. 2 Best Large Employer in America** in Forbes magazine's 2022 rankings, a particularly gratifying honor because it is directly based on employee feedback. Southern Company is committed to creating a workplace where all groups are well represented, included and fairly treated within all levels of the organization and that everyone feels welcomed, valued and respected.



- No. 1 Top Company for Black Executives by DiversityInc
- One of the Best Employers for Women by Forbes
- One of the best places to work for LGBTQ+ Equality from the Human Rights Campaign
- One of the Best Places to Work for Disability Inclusion by the Disability Equality Index
- No. 2 Best Military Friendly Employer in America by MilitaryFriendly.com



Cautionary Note Regarding Forward-Looking Statements

Certain information contained in this communication is forward-looking information based on current expectations and plans that involve risks and uncertainties. Forward-looking information includes, among other things, statements concerning expected schedule for start-up of Plant Vogtle Unit 3, expected capital expenditures, expected renewables growth, expected coal unit retirements and expected emissions reductions. Southern Company cautions that there are certain factors that can cause actual results to differ materially from the forward-looking information that has been provided. The reader is cautioned not to put undue reliance on this forward-looking information, which is not a guarantee of future performance and is subject to a number of uncertainties and other factors, many of which are outside the control of Southern Company; accordingly, there can be no assurance that such suggested results will be realized. The following factors, in addition to those discussed in Southern Company's Annual Report on Form 10-K for the year ended December 31, 2021, Quarterly Reports on Form 10-Q for the quarters ended March 31, 2022, June 30, 2022 and September 30, 2022, and subsequent securities filings, could cause actual results to differ materially from management expectations as suggested by such forward-looking information: the impact of recent and future federal and state regulatory changes, including tax, environmental and other laws and regulations to which Southern Company and its subsidiaries are subject, as well as changes in application of existing laws and regulations; the potential effects of the continued COVID-19 pandemic; the extent and timing of costs and legal requirements related to coal combustion residuals; current and future litigation or regulatory investigations, proceedings, or inquiries, including litigation and other disputes related to the Kemper County energy facility and Plant Vogtle Units 3 and 4; the effects, extent, and timing of the entry of additional competition in the markets in which Southern Company's subsidiaries operate, including from the development and deployment of alternative energy sources; variations in demand for electricity and natural gas; available sources and costs of natural gas and other fuels and commodities; the ability to complete necessary or desirable pipeline expansion or infrastructure projects, limits on pipeline capacity, and operational interruptions to natural gas distribution and transmission activities; transmission constraints; effects of inflation; the ability to control costs and avoid cost and schedule overruns during the development, construction, and operation of facilities or other projects, including Plant Vogtle Units 3 and 4 (which includes components based on new technology that only within the last few years began initial operation in the global nuclear industry at this scale) and Plant Barry Unit 8, due to current and/or future challenges which include, but are not limited to, changes in labor costs, availability, and productivity, challenges with management of contractors or vendors, subcontractor performance, adverse weather conditions, shortages, delays, increased costs, or inconsistent quality of equipment, materials, and labor, contractor or supplier delay, delays due to judicial or regulatory action, nonperformance under construction, operating, or other agreements, operational readiness, including specialized operator training and required site safety programs, engineering or design problems or any remediation related thereto, design and other licensing-based compliance matters, including, for Plant Vogtle Unit 4, inspections and the timely submittal by Southern Nuclear of the Inspections, Tests, Analyses, and Acceptance Criteria documentation for each unit and the related investigations, reviews and approvals by the U.S. Nuclear Regulatory Commission ("NRC") necessary to support NRC authorization to load fuel, challenges with start-up activities, including major equipment failure or system integration, and/or operational performance; and challenges related to the COVID-19 pandemic; the ability to overcome or mitigate the current challenges at Plant Vogtle Units 3 and 4, that could further impact the cost and schedule for the project; legal proceedings and regulatory approvals and actions related to construction projects, such as Plant Vogtle Units 3 and 4 and Plant Barry Unit 8, including Public Service Commission approvals and Federal Energy Regulatory Commission and NRC actions; under certain specified circumstances, a decision by holders of more than 10% of the ownership interests of Plant Vogtle Units 3 and 4 not to proceed with construction; the ability of certain other Vogtle owners to tender a portion of their ownership interests to Georgia Power following certain construction cost increases, including the purported exercises by Oglethorpe Power Corporation (an electric membership corporation) ("OPC") and City of Dalton, Georgia, an incorporated municipality in the State of Georgia, acting by and through its Board of Water, Light, and Sinking Fund Commissioners of their tender options and related litigation; in the event Georgia Power becomes obligated to provide funding to Municipal Electric Authority of Georgia ("MEAG Power") with respect to the portion of MEAG Power's ownership interest in Plant Vogtle Units 3 and 4 involving Jacksonville Electric Authority, any inability of Georgia Power to receive repayment of such funding; the ability to construct facilities in accordance with the requirements of permits and licenses (including satisfaction of NRC requirements), to satisfy any environmental performance standards and the requirements of tax credits and other incentives, and to integrate facilities into the Southern Company system upon completion of construction; investment performance of the employee and retiree benefit plans and nuclear decommissioning trust funds; advances in technology, including the pace and extent of development of low- to no-carbon energy and battery energy storage technologies and negative carbon concepts; performance of counterparties under ongoing renewable energy partnerships and development agreements; state and federal rate regulations and the impact of pending and future rate cases and negotiations, including rate actions relating to return on equity, equity ratios, additional generating capacity, and fuel and other cost recovery mechanisms; the ability to successfully operate the electric utilities' generation, transmission, and distribution facilities, Southern Power Company's generation facilities and Southern Company Gas' natural gas distribution and storage facilities and the successful performance of necessary corporate functions; the inherent risks involved in operating and constructing nuclear generating facilities; the inherent risks involved in transporting and storing natural gas; the performance of projects undertaken by the non-utility businesses and the success of efforts to invest in and develop new opportunities; internal restructuring or other restructuring options that may be pursued; potential business strategies, including acquisitions or dispositions of assets or businesses, which cannot be assured to be completed or beneficial to Southern Company or its subsidiaries; the ability of counterparties of Southern Company and its subsidiaries to make payments as and when due and to perform as required; the ability to obtain new short- and long-term contracts with wholesale customers; the direct or indirect effect on the Southern Company system's business resulting from cyber intrusion or physical attack and the threat of physical attacks; interest rate fluctuations and financial market conditions and the results of financing efforts; access to capital markets and other financing sources; changes in Southern Company's and any of its subsidiaries' credit ratings; the replacement of LIBOR with an alternative reference rate; the ability of Southern Company's electric utilities to obtain additional generating capacity (or sell excess generating capacity) at competitive prices; catastrophic events such as fires, earthquakes, explosions, floods, tornadoes, hurricanes and other storms, droughts, pandemic health events, political unrest, wars or other similar occurrences; the direct or indirect effects on the Southern Company system's business resulting from incidents affecting the U.S. electric grid, natural gas pipeline infrastructure, or operation of generating or storage resources; impairments of goodwill or long-lived assets; and the effect of accounting pronouncements issued periodically by standard-setting bodies. Southern Company expressly disclaims any obligation to update any forward-looking information.