

Task Force on Climate-Related Financial Disclosures (TCFD) Report



The Task Force on Climate-Related Financial Disclosures (TCFD) recommendations were developed as a framework for companies to disclose the governance, impacts, and management of climate-related risks and opportunities. The following report demonstrates Southern Company's¹ continued commitment to provide transparent, decision-useful information to our stakeholders. The disclosures referenced below are for the 2022 reporting year, unless otherwise dated.

Governance

Disclose the organization's governance around climate-related risks and opportunities.

Recommended Disclosure	Reference
Describe the board's oversight of climate-related risks and opportunities	Proxy Statement (2023; Page 37-39, 47-50) CDP Climate Change Disclosure (C1.1a-C1.1d Page 5-14)
Describe management's role in assessing and managing climate-related risks and opportunities	CDP Climate Change Disclosure (C1.2 Page 14-19)

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.

Recommended Disclosure	Reference
Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	Form 10-K Item 1A Risk Factors (Page I-15 – I-26) CDP Climate Change Disclosure (C2.2a-C2.4a Page 30-52)
Describe the impact of climate-related risks and opportunities in the organization's businesses, strategy, and financial planning	Form 10-K Item 1A Risk Factors (Page I-15 – I-26) CDP Climate Change Disclosure (C2.2a, C3.4 Page 30-35, 61-63) Electric Operations: Energy Portfolio Transition & Scenario Planning
Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	CDP Climate Change Disclosure (C3.2a-C3.4 Page 54-63)

Risk Management

Disclose how the organization identifies, assesses, and manages climate-related risks.

Recommended Disclosure	Reference
Describe the organization's processes for identifying and assessing climate-related risks	CDP Climate Change Disclosure (C2.2 Page 27-30) Sustainability Summary (Page 11-13)
Describe the organization's processes for managing climate-related risks	CDP Climate Change Disclosure (C2.2-C2.2a, C3.4 Page 27-35, 61-63) Southern Company Gas Sustainability Executive Summary (Page 11-12) Sustainability Summary (Page 11-13, 15, 18-19)
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	CDP Climate Change Disclosure (C2.2 Page 27-30) Sustainability Summary (Page 11-13)

Metrics and Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Recommended Disclosure	Reference
Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	Form 10-K Item 1A Risk Factors (Page I-16) Proxy Statement (2023; Page 9-11) CDP Climate Change Disclosure (C4.1a-4.2a Page 63-81)
Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	Form 10-K Item 1A Risk Factors (Page II-43) CDP Climate Change Disclosure (C6.1-C6.5a Page 98-116) ESG Data Table (Page 1-2)
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	Form 10-K Item 1A Risk Factors (Page I-16) Proxy Statement (2023; Page 9-11) CDP Climate Change Disclosure (C4.1a-4.2a Page 63-81) Emissions Reduction Progress & Reporting

¹Southern Company is a holding company that conducts its business through its subsidiaries. Accordingly, unless the context otherwise requires, references in this document to Southern Company's operations, such as generating activities, greenhouse gas emissions and employment practices, refer to those operations conducted through its subsidiaries.