

Overview of Southern Company Policies and Practices for Political Engagement

Southern Company believes it has a responsibility to its stakeholders to participate in the political process. Before Congress, state legislatures, local governments, and federal and state regulatory agencies, the Company and its subsidiaries have built a reputation for being trusted sources of helpful information and effective advocates for the interests of their customers, stockholders, and other stakeholders.

The results of elections and their impacts on public policy can have a profound effect on the Company, its subsidiaries, and its stakeholders. Accordingly, Southern Company and its subsidiaries also, where appropriate, make expenditures in connection with elections for public office and in connection with non-candidate state and local ballot initiatives such as referendums and constitutional amendments. Southern Company and its subsidiaries lobby at the federal and state level through registered lobbyists and/or trade groups, associations, or coalitions. Political expenditures and lobbying activities by Southern Company and its subsidiaries promote the best interests of the company and are done without regard for the private preferences of the Companies' executives or any other employees.

Corporate Governance Processes

Southern Company and its subsidiaries have put in place decision-making and oversight processes to ensure its governmental relations activities and political expenditures are legally permissible and conducted in accordance with applicable laws and regulations. These processes also help to ensure that the activities and expenditures of Southern Company and its subsidiaries are consistent with their commitment to act with integrity in their activities and are supportive of, and consistent with, their business strategy, goals, and priorities.

Both the senior External Affairs Officers at Southern Company and its subsidiaries and the Southern Company Board of Directors play important roles in these governance processes, including Board oversight of the Companies' political expenditures and lobbying activities.

Expenditures of Corporate Funds in Connection with Campaigns for Public Office

Southern Company and its subsidiaries comply with laws governing the making of political contributions or expenditures, including independent expenditures. As a general rule, federal law prohibits corporate contributions directly to federal candidates and national political parties. Corporate contributions in connection with state and local elections are permitted in certain states under applicable state laws.

In certain circumstances, where permitted by law and its own internal policies, Southern Company and its subsidiaries use corporate funds to make contributions to candidates, political party organizations, and to 527 organizations that make contributions to candidates or political parties.¹ The Company and its subsidiaries also use corporate funds to make independent expenditures or contribute to organizations making independent expenditures.

¹ For purposes of this document, 527 organizations are "political organizations" subject to Section 527 of the Internal Revenue Code of 1986, as amended. These organizations are established primarily for the purpose of influencing the outcome of elections of candidates for public office.

Any use of corporate funds by Southern Company or its subsidiaries to make political contributions or independent expenditures (as defined by applicable law) in connection with elections for public office must be approved in advance by the senior External Affairs Officer of the company making the disbursement.

The corporate political contributions and independent expenditures made by Southern Company or its subsidiaries are reviewed at least annually by the Nominating, Governance, and Corporate Responsibility Committee of the Southern Company Board of Directors, a committee comprised solely of independent directors. The Committee will also periodically review the Company's policies on political engagement. Southern Company will disclose on its website corporate political contributions or independent expenditures made by Southern Company and/or its subsidiaries.

Political Action Committees

Employees in the Southern Company system voluntarily fund political action committees (PACs) that make contributions in connection with federal elections.² These PACs are registered with the Federal Election Commission (FEC) and their activities are regulated by the FEC under the Federal Election Campaign Act of 1971, as amended. Detailed information on the PACs' contributions to candidates' campaign organizations and other political committees is disclosed in the PACs' reports to the FEC which are filed on a regular basis and are made available for public review on the FEC's website at www.fec.gov.

Alabama Power, Georgia Power, Mississippi Power, and Southern Company Gas also sponsor separate state PACs that make contributions in connection with elections in their home states. Detailed information on these PACs' state contributions is disclosed in the PACs' regular state campaign finance agency filings that are available for public review on the state agencies' websites. Disclosure reports filed by the Alabama Power Company Employees State Political Action Committee are available on the Alabama Secretary of State's website at www.sos.state.al.us. Reports filed by the Georgia Power Company State Employee PAC are available on the Georgia Government Transparency and Campaign Finance Commission's website at www.ethics.ga.gov. Reports filed by the Mississippi Power State PAC are available on the Mississippi Secretary of State's website at www.sos.ms.gov. Southern Company Gas sponsors state PACs in Illinois and Virginia. Information can be found at [Contribution Information Search By All Contributions \(il.gov\)](http://Contribution%20Information%20Search%20By%20All%20Contributions%20(il.gov)) and [Contribution Information Search By All Contributions \(il.gov\)](http://Contribution%20Information%20Search%20By%20All%20Contributions%20(il.gov)) and [State Board of Elections - Campaign Finance Reporting \(virginia.gov\)](http://State%20Board%20of%20Elections%20-%20Campaign%20Finance%20Reporting%20(virginia.gov)), respectively.

Non-Candidate Ballot Initiatives

State and local referendums, constitutional amendments, and other non-candidate ballot initiatives can significantly impact Southern Company subsidiaries and their operations, and engagement can thus be important. The legal permissibility of corporate expenditures in support of, or in opposition to, such initiatives is a matter of state law. Any use of corporate funds to make contributions to ballot initiative campaign committees must be in accordance with applicable law and approved in advance by the senior External Affairs Officer of Southern Company or the subsidiary involved. Any such corporate contributions by Southern Company or its subsidiaries will be reviewed annually with the Nominating, Governance and Corporate Responsibility Committee of the Southern Company Board of Directors.

² The six PACs making federal contributions are Southern Company Employees PAC; Alabama Power Company Employees Federal Political Action Committee; Georgia Power Company Federal PAC; Mississippi Power Company Federal PAC; Southern Company Gas PAC, Inc.; and Southern Nuclear Operating Company Inc. PAC.

Lobbying

The Company and its subsidiaries have engaged registered lobbyists, both federal and state, to support legislative and regulatory activities.

These lobbyists are carefully selected following a due diligence review. Lobbyists performing work at a federal level on behalf of Southern Company are engaged with the approval of Southern Company's senior External Affairs Officer and Southern Company's Chief Compliance Officer. Lobbyists performing work at a state level on behalf of a Southern Company subsidiary are engaged with the approval of the subsidiary's senior External Affairs Officer and the subsidiary's Chief Compliance Officer. Contracts with lobbyists and other governmental affairs consultants must include provisions specifically designed to require compliance with applicable legal requirements and restrictions as well as Company policies and procedures.

Management provides regular updates on lobbyists and lobbying activities to the Chief Executive Officer of the subsidiary or subsidiaries involved, to the Southern Company Management Council and to the Nominating, Governance, and Corporate Responsibility Committee of the Southern Company Board of Directors. The Committee also periodically reviews the Company's lobbying policies to ensure efficacy.

The Company, its subsidiaries, and their lobbyists are required to file lobbying reports with Congress and with state ethics agencies disclosing information about their lobbying activities. The Congressional reports—which include information on the issues lobbied, the agencies contacted, and the expenditures made—are available for public review on the websites of the U.S. House at www.house.gov and the U.S. Senate at www.senate.gov. State reports are made available for review by the state ethics agencies.

Trade Associations, Groups, and Coalitions

Through memberships in trade associations, groups, and coalitions, Southern Company and its subsidiaries receive valuable input on issues important to their businesses. The trade associations, groups, and coalitions that Southern Company and its subsidiaries join represent a broad array of professional interests and conduct a wide variety of activities that support those interests. One of the many activities trade associations, groups, and coalitions participate in is lobbying.

Southern Company and its subsidiaries work with trade associations, groups, and coalitions in a variety of ways across numerous issues and practices. Some of these groups also engage in lobbying and advocacy efforts, and from time to time our companies participate in those activities. Depending on their mission and organization, these trade associations, groups, and coalitions also can be subject to lobbyist registration and disclosure reporting obligations.

Southern Company evaluates its participation in trade associations, groups, and coalitions that are active on climate issues. When we join and on a regular ongoing basis, Southern Company weighs the costs and benefits of continued membership and examines each group's policy alignment with the Company's business objectives. For example, Southern Company regularly assesses whether each group's position on climate change is consistent with the Company's goal to achieve net zero greenhouse gas emissions by 2050. From time to time, as a result of its evaluation, Southern Company determines not to renew its membership in a group.

The Nominating, Governance, and Corporate Responsibility Committee of the Southern Company Board of Directors reviews, on at least an annual basis, the lobbying portion of annual dues (\$50,000 or more) paid by Southern Company or its subsidiaries to trade associations, groups, and coalitions engaged in federal or state lobbying. Southern Company discloses this information on its website.

Legal Compliance

Southern Company and its subsidiaries undertake extensive activities on an ongoing basis to ensure that their employees and consultants abide by the many federal, state, and local laws that are applicable to their governmental relations activities and political expenditures. These legal requirements and restrictions relate primarily to lobbyist registration and reporting and to expenditures made in connection with governmental relations activities or expenditures made in connection with elections for public office and in connection with non-candidate state and local ballot initiatives such as referendums and constitutional amendments.

The applicable rules are the subject of numerous policies and procedures, guidance documents, contractual provisions, and employee training sessions. See, for example, Southern Company's Code of Ethics at www.southerncompany.com/about/governance/values-and-ethics.html.

Governmental relations compliance is a focus of Southern Company's general ethics and compliance program. Representatives across the Company's subsidiaries and business units have been appointed to a Governmental Relations Compliance Team that is devoted to the development, assessment, and documentation of government relations compliance activities.

On an annual basis, government relations compliance risks are assessed (with consideration of options for mitigating the risks) as part of Southern Company's risk analysis process.

Internal Auditing

The Southern Company Internal Auditing organization periodically reviews governmental relations activities to assess their compliance with applicable laws, regulations, and Company policies and procedures.

Internal Auditing's findings are reported to the applicable subsidiary board and to the Audit Committee of the Southern Company Board of Directors.

Employees Personal Political Activities

As stated in the Southern Company Code of Ethics, we value and encourage citizenship. Employees have the opportunity, as individuals, to support political candidates and engage in political activities of their own free choice, using their personal resources and subject to any applicable legal restrictions.

Moreover, as mentioned above, employees' personal political activities are not dictated or influenced by the private preferences of our companies' executives.

Revised April 2022