



2021 Southern Company Stock Ownership Guidelines

Purpose

The Compensation and Management Succession Committee (the Compensation Committee) of the Southern Company Board of Directors believes the interests of Southern Company’s officers should align with those of Southern Company’s stockholders.

Officers Subject to the Guidelines

Officers with a Vice President title or higher and a job position level of grade 11 or higher are subject to the guidelines.

Effective January 1, 2021, the holding requirement is calculated as follows:

- For officers in grade levels 11 through 13, the requirement is based on a fixed number of shares.
- For officers in grade levels 14 and above, the requirement is based on a multiple of salary.

Ownership Guidelines by Job/Grade Level

Job Level	Southern Company Common Stock or Common Stock Units Calculation	
	Multiple of Base Salary	Fixed No. of Shares
Southern CEO	6x	N/A
Grades 15 & Above	3x	N/A
Grade 14	2.5x	N/A
Grade 13	N/A	13,000
Grade 12	N/A	8,000
Grade 11	N/A	5,000

- Fixed Number of Shares: The holding requirement is calculated using the base salary midpoint for the job level and the 3-year average stock price. The fixed number of shares will be reviewed annually and updated as necessary.
- Multiple of Base Salary: The holding requirement is a multiple of the officer’s base salary divided by the 60-day average closing stock price as of the stock ownership measurement date of September 30 each year.



Requirement to Maintain Share Ownership After Guideline Level is Satisfied

Once an officer has satisfied his or her applicable guideline level, the officer is required continue to maintain their required holdings. Officers’ guideline requirements are reduced by one-half at age 60 except for the Southern Company CEO and the Southern Company Management Council Members.

Types of Equity Ownership Counted Towards Guideline

The following types of equity ownership are counted toward meeting the guideline:

1. Common stock held in the Employee Savings Plan (ESP),
2. Common stock units held in the Deferred Compensation Plan (DCP), the Supplemental Benefit Plan (SBP), and the Non-qualified Savings Plan (NSP),
3. Common stock held in the Southern Investment Plan (SIP), and
4. Common stock beneficially owned outside of Company-sponsored plans, such as shares of common stock that vested under the Southern Company Long-Term Incentive (LTI) Program or shares of common stock purchased on the open market that are held through a bank or broker.

Officers holding shares of common stock through a bank or broker (item 4) outside of Company-sponsored plans (items 1 through 3) may need to provide documentation of ownership if the shares held through a bank or broker are needed to meet the guideline.

Timeframe for Meeting Guideline

Officers have five years (“grace period”) to achieve their guideline. Officers are encouraged to develop a plan for meeting and maintaining the guideline requirements. The suggested glidepath below defines a clear path to meet guideline requirements within five years.

Suggested Glidepath to Full Requirement (during grace period)

Year 1	Year 2	Year 3	Year 4	Year 5
0%	25%	50%	75%	100%

- **New Officers:** New officers will have five years (“grace period”) from the date the officer is hired into a participating officer position or promoted into a participating officer position to achieve the required holding.
- **Promoted Officers:** Officers already subject to guidelines who are promoted into a position with a higher guideline will have five years (“grace period”) from the effective date of their promotion to meet the higher guideline. However, promoted officers must, at a minimum, continue to meet their prior requirement for the duration of the five-year grace period.



Annual Acknowledgment and Review

All officers subject to the guidelines will be required to acknowledge the guidelines and the stock ownership requirements as part of the Southern Company Long-Term Incentive grant acceptance.

The HR Compensation team reviews and confirms stock ownership guideline compliance for officers as of September 30th each year.