Third Quarter 2018
Earnings Conference Call

November 7, 2018
Cautionary Note Regarding Forward-Looking Statements

Certain information contained in this presentation is forward-looking information based on current expectations and plans that involve risks and uncertainties. Forward-looking information includes, among other things, statements concerning Plant Vogtle Units 3 and 4, including cost and schedule estimates, earnings per share guidance, financial objectives, expected financing plans, and green house gas emission reduction goals. 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 and its subsidiaries; 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 and its subsidiaries’ Annual Reports on Form 10-K for the year ended December 31, 2017, and Quarterly Reports on Form 10-Q for the quarter ended September 30, 2018, 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 environmental laws and regulations governing air, water, land, and protection of other natural resources, and also changes in tax 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 uncertainty surrounding the federal tax reform legislation, including implementing regulations and Internal Revenue Service interpretations, actions that may be taken in response by regulatory authorities, and its impact, if any, on the credit ratings of Southern Company and its subsidiaries; current and future litigation or regulatory investigations, proceedings, or inquiries; 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 such as self-generation and distributed generation technologies; variations in demand for electricity and natural gas, including those relating to weather, the general economy, population and business growth (and declines), the effects of energy conservation and efficiency measures and any potential economic impacts resulting from federal fiscal decisions; available sources and costs of natural gas and other fuels; limits on pipeline capacity; transmission constraints; effects of inflation; the ability to control costs and avoid cost and schedule overruns during the development, construction, and operation of facilities, including Plant Vogtle Units 3 and 4 which include components based on new technology that only recently began initial operation in the global nuclear industry at scale, including changes in labor costs, availability and productivity, challenges with management of contractors, subcontractors or vendors, adverse weather conditions, shortages, increased costs or inconsistent quality of equipment, materials, and labor, including any changes related to imposition of import tariffs, contractor or supplier delay, non-performance under construction, operating, or other agreements, operational readiness, including specialized operator training and required site safety programs, unforeseen engineering or design problems, start-up activities (including major equipment failure and system integration), and/or operational performance; the ability to construct facilities in accordance with the requirements of permits and licenses (including satisfaction of U.S. Nuclear Regulatory Commission (“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 Southern Company system's employee and retiree benefit plans and nuclear decommissioning trust funds; advances in technology; 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 fuel and other cost recovery mechanisms; the ability to successfully operate the electric utilities' generating, transmission, and distribution facilities and Southern Company Gas' natural gas distribution and storage facilities and the successful performance of necessary corporate functions; legal proceedings and regulatory approvals and actions related to Plant Vogtle Units 3 and 4, including Georgia Public Service Commission approvals and NRC actions; under certain specified criteria, a decision by holders of more than 10% of the ownership interests of Plant Vogtle Units 3 and 4 not to proceed with construction, and the ability of other Vogtle owners to tender a portion of their ownership interests to Georgia Power following certain construction cost increases; in the event Georgia Power becomes obligated to provide funding to Municipal Electric Authority of Georgia (“MEAG”) with respect to the portion of MEAG’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; litigation or other disputes related to the Kemper County energy facility; the inherent risks involved in operating and constructing nuclear generating facilities, including environmental, health, regulatory, natural disaster, terrorism, and financial risks; 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, including the proposed dispositions of Gulf Power and Southern Power’s plants located in Florida and the proposed sale of a noncontrolling interest in Southern Power’s wind facilities, which cannot be assured to be completed or beneficial to Southern Company or its subsidiaries; the possibility that the anticipated benefits from the acquisition of Southern Company Gas cannot be fully realized or may take longer to realize than expected and the possibility that costs related to the integration of Southern Company Gas will be greater than expected; 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; changes in Southern Company's and any of its subsidiaries' credit ratings, including impacts on interest rates, access to capital markets, and collateral requirements; the impacts of any sovereign financial issues, including impacts on interest rates, access to capital markets, impacts on foreign currency exchange rates, counterparty performance, and the economy in general, as well as potential impacts on the benefits of the U.S. Department of Energy loan guarantees; 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 such as influenzas, 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 and its subsidiaries expressly disclaim any obligation to update any forward-looking information.
Non-GAAP Financial Measures

In addition to including earnings in accordance with generally accepted accounting principles (GAAP), this presentation also includes historical adjusted earnings and earnings per share (EPS) excluding: (1) charges related to (a) Mississippi Power’s integrated coal gasification combined cycle project in Kemper County, Mississippi (Kemper IGCC) and (b) Georgia Power’s ownership interests in Plant Vogtle Units 3 & 4; (2) impacts related to (a) the acquisition and integration of Southern Company Gas, (b) the dispositions of Elizabethtown Gas, Elkton Gas, Pivotal Home Solutions, and Florida City Gas, and (c) the pending dispositions of Gulf Power Company and Southern Power Company’s ownership interest in Plants Oleander and Stanton; (3) earnings from the Wholesale Gas Services business of Southern Company Gas; (4) earnings associated with the allowance for funds used during construction (AFUDC) equity as a result of extending the schedule for the Kemper IGCC prior to the suspension of construction; (5) settlement proceeds of Mississippi Power’s claim for lost revenue resulting from the 2010 Deepwater Horizon oil spill in the Gulf of Mexico; (6) additional net tax benefits as a result of implementing federal tax reform legislation; and (7) a charge for the write-down of Gulf Power Company’s ownership of Plant Scherer Unit 3.

The estimated losses relating to the Kemper IGCC significantly impacted earnings and earnings per share for the three and nine months ended September 30, 2018 and 2017. The estimated loss relating to Plant Vogtle Units 3 and 4 significantly impacted earnings and earnings per share for the nine months ended September 30, 2018. Additional pretax cancellation costs of approximately $30 million for the Kemper IGCC may occur through the first half of 2020. Further charges for Georgia Power’s ownership interests in Plant Vogtle Units 3 and 4 may occur; however, the amount and timing of any such charges are uncertain.

The impacts of acquisitions, dispositions, and integration also significantly impacted earnings and earnings per share for the three and nine months ended September 30, 2018 and 2017. The gain/loss calculations for the four dispositions of Elizabethtown Gas, Elkton Gas, Pivotal Home Solutions, and Florida City Gas are expected to be finalized in the fourth quarter 2018. Further costs related to the Southern Company Gas acquisition and pending dispositions are expected to occur in connection with integration activities and closing the dispositions; however, the amount and duration of such expenditures are uncertain.

Southern Company’s earnings for the nine months ended September 30, 2018 include additional net tax benefits as a result of implementing federal tax reform legislation, and settlement proceeds of Mississippi Power’s claim for lost revenue resulting from the 2010 Deepwater Horizon oil spill in the Gulf of Mexico. Additional tax adjustments are expected until Southern Company’s 2017 federal income tax return is complete and provisional estimates are actualized during the measurement period ended December 31, 2018. Further settlement proceeds are not expected.

Southern Company’s earnings for the nine months ended September 30, 2017 include a write-down of Gulf Power Company’s ownership of Plant Scherer Unit 3 as a result of its 2017 retail rate case settlement. Further charges are not expected. Additionally, Southern Company’s earnings for the nine months ended September 30, 2017 also include AFUDC as a result of extending the schedule for the Kemper IGCC construction project beyond November 30, 2016, as assumed in Southern Company’s 2017 earnings guidance. AFUDC ceased in connection with the project’s suspension in June 2017.

For all periods, presenting earnings and EPS excluding Wholesale Gas Services provides investors with an additional measure of operating performance that excludes the volatility that results from mark-to-market and lower of weighted average cost or current market price accounting adjustments.

This presentation also includes projected adjusted EPS for future periods excluding some or all of the following: estimated losses associated with the Kemper IGCC and Plant Vogtle Units 3 & 4, acquisition, integration and disposition impacts, earnings of the Wholesale Gas Services business of Southern Company Gas, and additional impacts of adopting tax reform.

Southern Company believes presentation of EPS excluding these items provides investors with information comparable to guidance. Management also uses such measures to evaluate Southern Company’s performance.
Hurricane Michael

• Strongest hurricane to ever come ashore in Northwest Florida

• 600,000 customers were without power immediately after the storm

• Restoration efforts included:
  – 12,000 Southern Company system personnel
  – 35,000 outside personnel from 27 states and Canada

• Strong track record of storm cost recovery in all jurisdictions
Vogtle 3 & 4 Update

- VCM18 unanimously approved by Georgia PSC on August 21, 2018
- VCM19 filed in August 2018 with review process expected to conclude February 19, 2019
- Co-owners affirmed continuing construction on September 26, 2018
- Significant improvement in CPI and weekly hours earned since 2Q 2018 Earnings Call
- Cumulative SPI and CPI are 1.02 and 1.17, respectively
- No changes to schedule or estimate to complete from 2Q 2018 update
- Site focus remains on staffing levels, system turnover, and building upon workable backlog
- New site record of 120,000 earned hours achieved last week
- Continued progress on Chinese AP1000 Units

\(^1\)See slide 31 in the appendix for additional information on CPI and SPI
Mankato Energy Center Transaction Overview

• Mankato Energy Center Summary:
  – Located in Mankato, MN
  – Existing 1x1 combined cycle
  – Expansion project in late stage construction with expected in-service date of mid-2019
  – Expanded 2x1 will have total capacity of ~760 MW
  – Output sold to Northern States Power

• Definitive sales agreement with Northern States Power

• Transaction expected to close mid-2019

• Pre-tax proceeds of $650 million

• Expected to offset ~$400 million in future equity needs
## Transaction Update

<table>
<thead>
<tr>
<th>Transaction</th>
<th>Status</th>
<th>Closing Date</th>
<th>Proceeds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minority Interest Sale in Southern Power Solar Portfolio</td>
<td>✔</td>
<td>Closed May 22, 2018</td>
<td>$1.18B</td>
</tr>
<tr>
<td>Pivotal Home Solutions Sale</td>
<td>✔</td>
<td>Closed June 4, 2018</td>
<td>$0.36B</td>
</tr>
<tr>
<td>Elizabethtown and Elkton Gas Sale</td>
<td>✔</td>
<td>Closed July 2, 2018</td>
<td>$1.74B</td>
</tr>
<tr>
<td>Florida City Gas Sale</td>
<td>✔</td>
<td>Closed July 29, 2018</td>
<td>$0.59B</td>
</tr>
<tr>
<td>Tax Equity Financing for Substantially All of Southern Power’s Existing Wind Portfolio</td>
<td>Agreements executed</td>
<td>Expected 4Q 2018</td>
<td>$1.20B</td>
</tr>
<tr>
<td>Southern Power Plants Stanton and Oleander Sale</td>
<td>Filed for FERC Approval</td>
<td>Expected 1Q 2019</td>
<td>$0.19B</td>
</tr>
<tr>
<td>Gulf Power Company Sale</td>
<td>Filed for FERC Approval</td>
<td>Expected 1Q 2019</td>
<td>$5.75B</td>
</tr>
<tr>
<td>Southern Power Mankato Energy Center</td>
<td>Agreements executed</td>
<td>Expected mid-2019</td>
<td>$0.65B</td>
</tr>
</tbody>
</table>
## Projected Equity Needs

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original equity need</td>
<td>$7.0B</td>
</tr>
<tr>
<td>Expected reduction from Florida Asset Sales</td>
<td>($3.0B)</td>
</tr>
<tr>
<td>Incremental need from increased estimate to complete Vogtle 3&amp;4</td>
<td>$0.8B</td>
</tr>
<tr>
<td>Year-to-date October 2018 issuances</td>
<td>($1.0B)</td>
</tr>
<tr>
<td>Expected reduction from Southern Power Wind Tax Equity Sale</td>
<td>($1.0B)</td>
</tr>
<tr>
<td>Expected reduction from sale of Mankato</td>
<td>($0.4B)</td>
</tr>
<tr>
<td>Remaining equity need through 2022</td>
<td>$2.4B</td>
</tr>
</tbody>
</table>
## 2018 Earnings Results

<table>
<thead>
<tr>
<th></th>
<th>Q3</th>
<th></th>
<th>YTD</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2018</td>
<td>2017</td>
<td>2018</td>
<td>2017</td>
</tr>
<tr>
<td><strong>Earnings Per Share As Reported</strong></td>
<td>$1.14</td>
<td>$1.07</td>
<td>$1.92</td>
<td>$0.35</td>
</tr>
<tr>
<td>Estimated Loss on Plants Under Construction(^1)</td>
<td>-</td>
<td>($0.02)</td>
<td>($0.81)</td>
<td>($2.15)</td>
</tr>
<tr>
<td>Loss on Plant Scherer Unit 3</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>($0.02)</td>
</tr>
<tr>
<td>Acquisition, Disposition &amp; Integration Impacts(^2)</td>
<td>$0.02</td>
<td>($0.01)</td>
<td>($0.21)</td>
<td>($0.02)</td>
</tr>
<tr>
<td>Wholesale Gas Services</td>
<td>($0.02)</td>
<td>($0.02)</td>
<td>$0.06</td>
<td>$0.03</td>
</tr>
<tr>
<td>Litigation Settlement(^3)</td>
<td>-</td>
<td>-</td>
<td>$0.02</td>
<td>-</td>
</tr>
<tr>
<td>Adoption of Tax Reform</td>
<td>-</td>
<td>-</td>
<td>$0.03</td>
<td>-</td>
</tr>
<tr>
<td><strong>Earnings Per Share Excluding Items</strong></td>
<td>$1.14</td>
<td>$1.12</td>
<td>$2.83</td>
<td>$2.51</td>
</tr>
</tbody>
</table>

\(^1\)Estimated Loss for Plants Under Construction for the nine months ended September 30, 2018 includes $0.03 for charges related to Mississippi Power Company’s integrated coal gasification combined cycle in Kemper County, Mississippi (the “Kemper IGCC”) and $0.78 for a charge related to Georgia Power Company’s construction of Plant Vogtle Units 3 and 4. The three and nine months ended September 30, 2017 includes $0.02 and $2.21, respectively for charges related to the Kemper IGCC. The nine months ended September 30, 2017 was partially offset by $0.06 for additional AFUDC equity as a result of extending the schedule prior to suspension of construction.

\(^2\)Represents costs related to the acquisition and integration of Southern Company Gas; impacts related to the dispositions of Pivotal Home Solutions, Elizabethtown Gas, Elkton Gas, and Florida City Gas; and impacts related to the pending dispositions of Gulf Power Company and Southern Power Company’s ownership interest in Plants Oleander and Stanton.

\(^3\)Represents settlement proceeds of Mississippi Power Company’s claim for lost revenue resulting from the 2010 Deepwater Horizon oil spill in the Gulf of Mexico.
2018 Q3 and Q3 YTD – YOY Adjusted EPS Drivers

**Q3 Drivers**
- Constructive regulatory outcomes
- Weather
- Depreciation and amortization
- Lower tax shield and additional financings

**Q3 YTD Drivers**
- Constructive regulatory outcomes
- Weather
- SPC state tax benefits from reorganizations
- Lower tax shield and additional financings

**Notes:**
Excludes charges related to the Kemper IGCC project and acquisition, integration and disposition impacts; earnings from Wholesale Gas Services.

**Q3 2017**
- $1.12

**Q3 2018**
- $1.14

**Q3 YTD 2017**
- $2.51

**Q3 YTD 2018**
- $2.83

**Notes:**
Excludes charges related to Plant Vogtle Units 3 & 4, the Kemper IGCC project and Plant Scherer Unit 3; additional AFUDC equity in 2017 as a result of extending the Kemper IGCC schedule prior to suspension of construction; acquisition, integration and disposition impacts; tax reform impacts; earnings from Wholesale Gas Services; and the settlement of Mississippi Power’s Deepwater Horizon claim.
>90% of Earnings from Premier State-Regulated Utilities

**2018 Q3 Adjusted EPS**

<table>
<thead>
<tr>
<th>Component</th>
<th>EPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy Infrastructure under long-term contracts¹</td>
<td>$0.10</td>
</tr>
<tr>
<td>All Other</td>
<td>$(0.11)</td>
</tr>
<tr>
<td>Parent</td>
<td>$1.14</td>
</tr>
<tr>
<td>State-Regulated Utilities</td>
<td>$1.16</td>
</tr>
<tr>
<td>Gas LDCs</td>
<td>$0.03</td>
</tr>
<tr>
<td>Electrics</td>
<td>$1.13</td>
</tr>
</tbody>
</table>

**2018 Projected Full Year Adjusted EPS²**

<table>
<thead>
<tr>
<th>Component</th>
<th>EPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy Infrastructure under long-term contracts¹</td>
<td>$2.97</td>
</tr>
<tr>
<td>All Other</td>
<td>$(0.44)</td>
</tr>
<tr>
<td>Parent</td>
<td>$0.09</td>
</tr>
<tr>
<td>State-Regulated Utilities</td>
<td>$3.05</td>
</tr>
<tr>
<td>Gas LDCs</td>
<td>$0.33</td>
</tr>
<tr>
<td>Electrics</td>
<td>$2.64</td>
</tr>
</tbody>
</table>

**2018 Q4 Estimate = $0.23 per share**

Notes:
- Excludes charges related to Plant Vogtle Units 3 & 4, and the Kemper IGCC construction projects, acquisition, disposition, and integration impacts, earnings from Wholesale Gas Services, impacts of adopting tax reform, and the settlement of Mississippi Power’s Deepwater Horizon claim.

1. Includes Southern Power, interstate natural gas pipelines and Southern Company system-owned distributed energy resources
2. Guidance provided as of November 7, 2018
Additional Information
Expected Fourth Quarter 2018 Earnings Call Updates

- 2019 Earnings Guidance

- Capital Expenditures Forecast
  - Recent and announced divestiture impacts
  - Ash pond closure strategy and timing of expenditures in compliance with CCR rules
  - State regulated utility initiatives to improve service, lower operating costs and further transition to a low-to-no carbon future

- Financing Plan
Southern Company Overview
Southern Company’s strategy is to maximize long-term value to shareholders through a customer-, community- and relationship-focused business model that produces sustainable levels of return on energy infrastructure.
We are Southern Company

Electric utilities
- Alabama Power
- Georgia Power
- Gulf Power (Florida)\(^1\)
- Mississippi Power

Southern Power
- Leading U.S. wholesale energy provider
- 50 natural gas, wind, solar and biomass projects across U.S.\(^2\)

Southern Company Gas
- Natural gas distribution utilities in Georgia, Illinois, Tennessee and Virginia
- 73,000 miles of state-regulated natural gas distribution pipelines with 2,600 miles of intrastate natural gas transmission infrastructure

PowerSecure
- Distributed infrastructure technologies, energy efficiency and utility infrastructure solutions

1. On May 21, 2018, Southern Company announced the proposed sale of Gulf Power; the sale is expected to close in 1Q19.
2. Southern Power completed the sale of a 33% equity interest in substantially all of its solar facilities. In May 2018, Southern Power entered into an agreement to sell all of its equity interests in Plant Oleander and Plant Stanton. Southern Power has executed an agreement for the sale of a noncontrolling interest in a portfolio of eight operating wind facilities through the use of third-party tax equity.
Southern Company’s Value Proposition and Financial Objectives

Key financial objectives

- Superior risk-adjusted total shareholder return
- A high degree of financial integrity and strong investment grade credit ratings
- Strong, sustainable returns on invested capital
- Regular, predictable and sustainable EPS and dividend growth

1. Future dividends are subject to the approval of the Southern Company Board of Directors
Our Values

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 will 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.
Southern Company’s Journey to a LOW- to NO-carbon future

Our energy strategy includes the continued development of a diverse portfolio of energy resources to serve customers and communities with a focus on reducing greenhouse gas emissions.

GHG Emissions: Reductions and Objectives

2007 Baseline

2017 Reduced 36%

2030 50% Reduction

2050 LOW to NO
Investing in Carbon-Free Sources and Energy Efficiency
Significant reductions in coal since 2007

- **7,000 MW**
  Coal fleet retirements or conversions to gas since 2010

- **Over $9.8 billion**
  Expected investment in carbon-free resources from 2018 through 2022

- **4.6 million**
  Smart meters installed system-wide

- **14,000 MW**
  Expected renewable sources by 2022

- **18,400 MW**
  Expected portfolio of carbon-free sources by 2022

Since 2007, percentage of energy generated from coal has decreased by approximately 61%

Generation percentages include non-affiliate power purchase agreements.
Committed to Engagement, Transparency and Enhanced Disclosures on Climate and GHG Reduction Efforts

We have engaged with shareholders and stakeholders and enhanced our disclosure in response to feedback

Planning for a low-carbon future
- In April 2018, we published a report focused on our preparations for a low-carbon future, as well as the risks and opportunities for our company
- We are committed to providing clean, safe, reliable and affordable energy, while transitioning to low- to no-carbon operations by 2050

Climate disclosures
- We include meaningful and detailed information about our emissions profile on our website
  - Greenhouse gas emissions
  - Carbon reduction activities
  - Methane reduction activities
  - Strategy and planning
  - Energy mix

CDP
- We participated in the CDP Climate Disclosure survey in 2018 in response to investor feedback and have posted our survey response on our website
  - Disclosure focuses on climate-related risks and opportunities, governance, scenario planning, reduction targets & emissions data
  - Emissions data included on a financial ownership basis including estimates for GHG emissions from generation sources and purchased power

EEI ESG Reporting
- We have been a leader within the utility industry effort to work with investors to create the EEI ESG/Sustainability Reporting Template
  - Includes qualitative information about ESG governance and strategy
  - Includes quantitative information about generation, capital investments, emissions, human resources and natural resources

Third-Party Rating Services
- We review reports and provide updates to third party ESG rating services including Sustainalytics, MSCI and ISS
Utility Industry Leader in Research & Development

- Southern Company R&D has worked for almost 50 years to develop new technologies across the production, delivery and end-use of energy
- Model for R&D includes collaboration with the U.S. government, other utilities, universities and technology developers
- 10 R&D centers host national and international technology developers to invent and reinvent energy technologies
- Since the 1960s, the Southern Company system has managed more than $2.3 billion in R&D investments
- More than 10-to-1 return on R&D investment over the past 10 years

Through R&D, seek to enable the following results in a low- to no-carbon future:

<table>
<thead>
<tr>
<th>Next-Gen Nuclear</th>
<th>Carbon Capture Use &amp; Storage</th>
<th>Hydrogen Economy</th>
<th>Efficient Electrification</th>
<th>Distributed Energy</th>
<th>Resilient &amp; Fully Integrated Grid</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cost-effective carbon capture, use and storage technologies operating in an efficient and reliable fossil-fueled fleet</td>
<td>New utility business models created from hydrogen production, delivery and end-use technologies</td>
<td>New and broadly deployed electrification technologies including those for transportation, buildings, industrial processes and food production</td>
<td>Dispatchable solar, wind, storage and other R&amp;D-enabled new energy resources operating in microgrid and centralized configurations as the lowest-cost energy sources</td>
<td>Resilient electric and gas delivery grids allowing unrestricted creation and use of low- to no-GHG emissions energy</td>
</tr>
</tbody>
</table>

Water/Energy Nexus

- Conserve and clean water during energy production
Southern Company’s People
Dedicated to developing and deploying the energy industry’s most talented workforce

Committed to diversity and inclusion, comprehensive benefits and rewards, and talent development to maintain a competitive human capital advantage

**Engagement**
Maintain a highly engaged workforce (89% engagement rate) with low turnover rate (8%)

**Diversity & Inclusion**
Foster an environment in which every employee can contribute and reach his or her full potential
Sponsor highly engaged Employee Resource Groups, Diversity Councils, and Employee Councils

**Rewards & Wellbeing**
Offer comprehensive market competitive rewards to nearly all employees (salary, variable incentive, pension, 401(k) and healthcare)
- Continue investment in employees’ well-being (physical, financial and emotional)
- Offer variable pay programs to drive pay-for-performance relationship
- Offer employees a variety of valuable benefits after retirement, which is an important aspect of retaining employees throughout their careers
Evaluate and modernize our reward strategy to ensure sustainability for the future

**Leadership Readiness**
Engage in succession planning as well as leadership development programs across the enterprise

**Talent Pipeline**
Ensure a pipeline of well-qualified and diverse workers are available
Internal talent is developed through formal programs, on the job training and mentoring
External pipeline is maintained through successful partnerships with universities, professional organizations, and military recruiting

**DiversityINC** - 2018 marks the third consecutive year Southern Company is recognized on the Top 50 list.

**HCI** - 100% Score on Corporate Equality Index.
Based on: (1) non-discrimination policies, (2) employment benefits, (3) demonstrated organizational competency and accountability around LGBT diversity and inclusion, (4) public commitment to LGBT equality and (5) responsible citizenship.

**Computerworld** - 2018 100 Best Places to Work in IT 12th consecutive year

**Military Times** - Best for Vets: Employer 2018 #7 of 100 Highest ranked Energy and Utility company
Our partnership with the National Fish and Wildlife Foundation (NFWF) began over 15 years ago.

We partner with public and private entities to create a model of effective environmental stewardship.

Over $14.2 million has been invested in 306 grants, restoring or enhancing over 1.7 million acres.

Investment programs include:
- Power of Flight
- Longleaf Legacy/Longleaf Stewardship Fund
- Five Star & Urban Waters Restoration Program
- Gulf Coast Conservation Grants Program
- Bats for the Future Fund

Nearly $3 million has been invested in 118 projects which have implemented $13 million in waterway restoration through the Five Star & Urban Waters Restoration Program.

More than 110,000 volunteers have removed over 15 million pounds of trash and debris through Renew Our Rivers.
<table>
<thead>
<tr>
<th>Recognition</th>
<th>Global</th>
<th>Environmental</th>
<th>Culture</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 2018 World’s Most Admired Companies</td>
<td>• 2017 Top 5 Utilities for Solar (Georgia Power)</td>
<td>• 2018 America’s Best Employers</td>
<td>• 2018 Best for Vets Employers Top 100</td>
</tr>
<tr>
<td>– Fortune – 9th Consecutive</td>
<td>– Smart Electric Power Alliance</td>
<td>– Military Times – ranked No. 7</td>
<td></td>
</tr>
<tr>
<td>• 2017 50 Most Engaged</td>
<td>• 2017 Top 10 Companies for Corporate Stewardship (Southern Company)</td>
<td>• 2018 Perfect Corporate Equality Index Score</td>
<td>– G.I. Jobs Magazine – ranked No. 5</td>
</tr>
<tr>
<td>• 2017 America’s Top 100 Public Companies</td>
<td>• 2017 Technology Transfer Awards</td>
<td>• 2018 50 Best Companies for Diversity</td>
<td>• 2017 Top Company for Supplier Diversity (Southern Company Gas)</td>
</tr>
<tr>
<td>• 2017 CEO Wall of Innovators (Tom Fanning)</td>
<td>• 2017 2nd Largest U.S. Utility-Scale Solar Project Owners (Southern Company)</td>
<td>• 2018 Top 50 Companies for Diversity</td>
<td>• 2017 Perfect Score on Disability Equality Index</td>
</tr>
<tr>
<td>• 2017 Disruptor 50 List CNBC – Bloom Energy - highlighting PowerSecure partnership</td>
<td></td>
<td>• 2018 100 Best Places to Work in IT</td>
<td>• 2018 Best Places to Work for LGBT Equality</td>
</tr>
<tr>
<td></td>
<td></td>
<td>– Computerworld – 11th Consecutive (No.1 Large Utility)</td>
<td>– Human Rights Campaign</td>
</tr>
<tr>
<td>• 2017 Most Influential People in Security (Tom Fanning)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>– Security Magazine</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Vogtle 3 and 4
Vogtle 3&4: Direct Construction Schedule and Cost Performance
(Bechtel Scope of Work)

Working towards an accelerated schedule providing margin to the approved regulatory in-service dates

- Sustained improvement in CPI since site stand-down and reset in July
- Recent results impacted by Hurricanes Florence and Michael
- On average weekly earned hours of 110,000 versus 80,000 prior to site stand-down
- New site record of 120,000 earned hours achieved last week
- We remain equally focused on productivity and staffing

Note: Graphs depict site-wide aggregate index for schedule and cost performance that sets 1.0 as the goal. Above 1.0 is not meeting the goal, and below 1.0 is exceeding the goal.
Vogtle 3&4: Direct Construction Percent Complete (Bechtel Scope of Work)

Major start-up activities for Unit 3 commence within 18 months based on accelerated schedule

Unit 3
- February 2020: Cold Hydro Test
- April 2020: Hot Functional Testing
- October 2020: Fuel Load
- April 2021: In-service

Approved in-service: November 2021

Unit 4
- January 2021: Cold Hydro Test
- March 2021: Hot Functional Testing
- October 2021: Fuel Load
- April 2022: In-service

Approved in-service: November 2022
Vogtle 3&4: Vogtle Progress Update

Unit 3

Completed Progress
✓ Placed concrete in the CA41 & CA42 floor modules for the Main Control Room in the Auxiliary Building
✓ Concrete placed for Course 07 & 08 in the Shield Building
✓ CA58, the final floor module for the Operating Deck, was set inside Containment
✓ 3 of the 4 Reactor Coolant Pumps set inside Containment
✓ Final Installation of SPL 18 structural steel in containment
✓ Completed installation of ES-1 and ES-2 switch gears in Annex

Upcoming Milestones
• Main Control Room roof module (CA51) set at elevation 135 feet
• Final Reactor Coolant Pump set inside Containment
• Final Containment Vessel Ring set
• Install polar crane inside Containment
• Turnover ECS-1 (Main AC Power) system to testing

Unit 4

Completed Progress
✓ Modules KQ22 and KQ23 (Chemical and Control Modules) set inside Containment
✓ First Steam Generator (B) set inside Containment
✓ 220 and 15 ton bridge cranes set inside the Turbine Building
✓ Both Accumulator tanks set
✓ KB38 (WLS Pump Module) set in Auxiliary Building
✓ Placed over 2,000 cubic yards of concrete inside several critical areas in Containment, which include the West site to EL 103’

Upcoming milestones
• Auxiliary Building concrete slabs at elevation 100 feet
• Place the first of three concrete placements to elevation 107 feet for the maintenance deck inside of Containment
• Second Steam Generator (A) set inside Containment
• Pressurizer set inside Containment
October 12, 2018: Georgia Power testimony filed

November 15, 2018: Hearings on Georgia Power testimony

November 30, 2018: Advisory Staff and Intervenor testimony filed

December 18, 2018: Hearings on Advisory Staff and Intervenor testimony

January 7, 2019: Georgia Power rebuttal testimony filed

January 17, 2019: Hearings on Georgia Power rebuttal testimony

February 14, 2019: Advisory Staff recommendation

February 19, 2019: Georgia Public Service Commission vote
Vogtle 3&4: Schedule Performance Index (SPI) & Cost Performance Index (CPI)

What They Are

• There are a fixed number of direct construction hours assumed to complete the entire project in the current schedule.
• The project schedule is broken down into planned activities which are designed to earn the direct construction hours needed to complete the project.
• Each week, we measure:
  1. how many direct construction hours were planned versus how many were earned (SPI).
  2. how many actual direct construction hours are spent to complete work versus the hours for the same work in the schedule (CPI).

Why They Are Important

• The productivity and efficiency (SPI and CPI) of direct construction labor are the key indicators of performance versus current projections.
• Indirect costs (e.g. oversight, cranes, scaffolding, etc.) have a significant correlation to direct construction.
Vogtle 3&4: Craft Labor Productivity & Staffing

- Site objective is to earn as many or more hours than planned each week, but more importantly to safely complete the project on schedule and on budget.
- The schedule reflects an increase in planned hours through early 2019.
- There are two ways to earn more hours:
  1. Drive more productivity from the existing workforce
  2. Add additional, productive personnel

<table>
<thead>
<tr>
<th>Productivity Drivers</th>
<th>Staffing Strategies</th>
<th>Schedule Mitigation Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Motivated workforce</td>
<td>• IBEW / UA International outreach and support</td>
<td>• 6 or 7 day work week</td>
</tr>
<tr>
<td>• Clearly communicated expectations and purpose</td>
<td>• International resources</td>
<td>• Enhanced second shift</td>
</tr>
<tr>
<td>• Strong field leadership</td>
<td>• Helping hands (other skilled craft)</td>
<td>• Temporary shifts of craft labor from Unit 4 to Unit 3</td>
</tr>
<tr>
<td>• Efficient supply chain and work package management</td>
<td>• Attendance, retention and/or other wage incentives</td>
<td></td>
</tr>
<tr>
<td>• Workable backlog</td>
<td>• Focused recruiting during craft transition from other major projects (petrochemical, data centers, etc.)</td>
<td></td>
</tr>
<tr>
<td>• Field engineering resources</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• China lessons learned</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Capital Markets / Financings
Southern Company 2018 Long-Term Financings
as of November 7, 2018

Debt: $3,275M original projection vs. $2,150M actual issuance
No remaining long-term debt financings expected for 2018

1. Amounts and timing are subject to change based upon numerous factors, including market conditions, regulatory approvals, the Southern Company system’s capital requirements, available investment opportunities, and the completion of announced divestitures
2. 3-year financing plan updated for 4Q earnings call
Deleveraging - Reduced Long-Term Debt Financings

• Long-term debt financings reduced to $2.15B from projected $3.275B
  – Higher equity ratios approved following tax reform
  – Equity contribution in lieu of debt issuances at Georgia Power
  – Short-term bridge financing in lieu of long-term financings at Mississippi Power and Parent

• Issued approximately $1B equity year-to-date
Southern Company Liquidity and Credit
As of September 30, 2018

Over $8.1 billion in combined committed credit facilities and available liquidity of over $7.8 billion

<table>
<thead>
<tr>
<th>Unused Credit Lines</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2022</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,333</td>
<td>$1,736</td>
<td>$280</td>
<td>$100</td>
<td>$30</td>
<td>$8,101</td>
</tr>
<tr>
<td>702</td>
<td>380</td>
<td>37</td>
<td>379</td>
<td>-</td>
<td>1,847</td>
</tr>
<tr>
<td>Total</td>
<td>$2,036</td>
<td>$2,116</td>
<td>$317</td>
<td>$479</td>
<td>$9,949</td>
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<tr>
<td>Less: Outstanding CP</td>
<td>-</td>
<td>102</td>
<td>50</td>
<td>-</td>
<td>611</td>
</tr>
<tr>
<td>Less: PCB Floaters</td>
<td>854</td>
<td>550</td>
<td>82</td>
<td>40</td>
<td>1,527</td>
</tr>
<tr>
<td>Net Available Liquidity</td>
<td>$1,182</td>
<td>$1,463</td>
<td>$185</td>
<td>$439</td>
<td>$7,812</td>
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</tbody>
</table>

Totals may not sum due to rounding

1. Consolidated cash balance includes amounts from non-SEC reporting subsidiaries including PowerSecure, Southern Nuclear, SouthernLINC and others
2. PCB Floaters include all variable rate demand note pollution control revenue bonds outstanding
# Long-term Debt Maturity Schedule

As of September 30, 2018

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>5Y Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama Power</td>
<td>$ -</td>
<td>$200</td>
<td>$250</td>
<td>$310</td>
<td>$750</td>
<td>$1,510</td>
</tr>
<tr>
<td>Georgia Power</td>
<td>500</td>
<td>500</td>
<td>994</td>
<td>369</td>
<td>510</td>
<td>2,873</td>
</tr>
<tr>
<td>Gulf Power</td>
<td>-</td>
<td>-</td>
<td>175</td>
<td>-</td>
<td>141</td>
<td>316</td>
</tr>
<tr>
<td>Mississippi Power</td>
<td>-</td>
<td>125</td>
<td>307</td>
<td>270</td>
<td>-</td>
<td>702</td>
</tr>
<tr>
<td>Southern Power</td>
<td>-</td>
<td>600</td>
<td>825</td>
<td>300</td>
<td>677</td>
<td>2,402</td>
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<tr>
<td>Southern Company Gas</td>
<td>155</td>
<td>350</td>
<td>-</td>
<td>330</td>
<td>46</td>
<td>881</td>
</tr>
<tr>
<td>Parent</td>
<td>-</td>
<td>1,350</td>
<td>1,650</td>
<td>1,500</td>
<td>-</td>
<td>4,500</td>
</tr>
<tr>
<td><strong>Southern Consolidated</strong></td>
<td>$755</td>
<td>$3,150</td>
<td>$4,200</td>
<td>$3,079</td>
<td>$2,124</td>
<td>$13,307</td>
</tr>
</tbody>
</table>

Excludes capital leases and fixed rate pollution control bonds subject to remarketing; Southern Consolidated also includes SEGCO maturities.