Keeping diversity, equity and inclusion at the forefront of our business benefits the greater good and our bottom line. First, I would like to thank our preceding chairman, president and CEO, Kim Greene, for her leadership and commitment to creating a diverse, equitable and inclusive work environment during her tenure at GAS. Together, you have established a culture in which embracing our differences, connecting with each other and practicing allyship has brought us together as a business and team. I share Kim’s passion for these issues and am deeply committed to continuing to foster a sense of belonging and strengthening relationships across all backgrounds.

Fueling Equity is rooted in five business focus areas called the "Five That Drive," including: Workplace Culture, Talent Development, Talent Acquisition, Community Engagement and Supplier Inclusion. We are doing the work and accomplishing a lot in all five of these areas, which I am excited for you to see throughout this year’s Fueling Equity Impact Report.

Each one of us plays a part in Fueling Equity within the organization and our communities. Our three tenets – Listen, Learn and Lead – will continue to serve as our guidepost, in the year ahead. Personally, I plan to take an active role in listening and ensuring that we continue conversations around the multitude of issues that marginalized groups experience. I encourage each of you to get involved in our employee resource groups to support and learn more about one another. Together, we will continue to lead the way toward change by being allies, advocates and ensuring that Southern Company Gas remains an equitable company that improves the lives of others.

Let’s continue to move boldly forward in our DE&I journey by taking measurable actions, making progress and continuing to grow together as a business. Thank you for your commitment to providing Fuel for Life in the communities that we live, work and serve in.

Be safe and take care of each other.

Jim Kerr
Chairman, President and Chief Executive Officer
Southern Company Gas
Workplace Culture

In 2022, Southern Company updated our Leadership Competencies by adding a new DE&I component. This new competency strengthens the expectations for all of our employees and leaders to align with our company’s core values.

The Office of DE&I, Leadership, Empowerment, Acceptance and Diversity (LEAD) Council and various internal business partners provided live virtual and in-person instructor-led trainings, engagements and workshops to strengthen our skills around the new competency.

Employees Reached:
- Over 1,600 session participants
- Over 80 events
- Over 90% satisfaction from all session participants
Culture Carriers, a buddy program for new hires in Southern Operations, completed its second Metro Atlanta cycle and expanded to VNG. The program helped orient over 40 of our newest employees to our culture of inclusion and connect them with their coworkers, ERGs and other parts of the business.

<table>
<thead>
<tr>
<th></th>
<th>Virginia Natural Gas</th>
<th>Atlanta Gas Light</th>
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<tr>
<td>Culture Carriers</td>
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ERG Rally Days: In 2022, the Office of DE&I partnered with our employee resource groups (ERGs) to host in-person ERG/DE&I rally days at the various service centers across our footprint to encourage our employees to sign up for ERGs, engage in DE&I games and activities, and participate in DE&I workshops.
About Our Employee Resource Groups (ERGs)

Through partnerships with the various business units across the organization, our ERGs continue to support and make an impact in all five focus areas of Fueling Equity. As an example, in 2022, our ERGs partnered with Southern Company Gas’ Charitable Foundation board to award over $100,000 to different local charitable organizations across the entire footprint of GAS.

ERG 2022 Snapshot

1,400 ERG members as of the end of 2022

33% are members of more than one ERG

20 Chapters of 10 ERGs

Over 47 events hosted by ERGs in support of various local organizations, events and other engagements that strengthen our Company’s brand with our local communities. Over 300 in-person hours spent by ERGs in support of these community engagements.

Over 63 employee engagements events hosted by ERGs, including educational workshops, social events, lunch and learns and tours. Over 250 hours spent by ERGS in support of these employee engagements.
ERG Leadership Summit

In 2022, we hosted our first in-person ERG Leadership Retreat since 2019. Over the course of two days, ERG leaders participated in professional development workshops and networked with senior leaders across the organization and ERG leaders from Georgia Power.
LEAD Council and Our ERGs

In 2022, our executive DE&I council, known as LEAD Council, strengthened its partnership with ERGs by creating a LEAD Council subcommittee comprised of past ERG leaders. Through this new subcommittee, our ERGs continue to gain influence and hold a seat at the leadership table to make an impact on our organization.
The Leadership, Empowerment, Acceptance and Diversity (LEAD) Council was established in 2018 by the Management Council of GAS to serve as our executive DE&I council. LEAD Council is comprised of a diverse group of leaders across different critical functions to ensure that accountability and oversight of our DE&I efforts span the entire organization.
Talent Development

We continue to focus on the professional development of all employees with a deliberate approach to develop underrepresented groups. Through several different programs and initiatives, we provide opportunities for networking, organizational exposure and learning for the benefit for all.
GAS continues to have higher rates of participation among people of color (POC) and women in Leadership Development programs compared to their respective labor pools.

50% participation rate for POC compared to 33% benchmark data

71% participation rate for women compared to 35% benchmark data

EQUIP Program for Leaders
EQUIP onboards and supports new leaders of people to “equip” them with the knowledge, tools and resources to be successful within their first 90 days. This program is a hybrid of live, virtual sessions and on-demand recordings.

New Leaders completed this year 59

Race/Ethnicity

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Gender

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Geographic Location

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<td>IL</td>
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<tr>
<td>TN</td>
<td>2</td>
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</table>
Launch of ASPIRE
Learning specifically developed for individual contributors and available to all interested employees.

Addressed employee feedback on desire for development and learnings on career navigation.

Three-part micro-series on the **Performance, Image, Exposure (PIE) model and career navigation.**

Creation of the **Your Career: Putting Your Foot on the Gas** microsite, which includes an overview of career management vs. career development on-demand online content.

Putting the **PERFORMANCE** back in PIE
Putting the **IMAGE** back in PIE
Putting the **EXPOSURE** back in PIE
GAS Enterprise Mentoring (GEM) Program

In 2022, we completed the second cycle of our company-wide mentoring program designed to promote greater networking and professional development and deepen cross-cultural relationships between employees and leaders.

Total of 97 mentees and 30 mentors from across the enterprise (all employees that submitted interest were matched to a mentor)

3-4 mentees per mentor

22% of the participants saw a change in their role (3 participants total)

6 lateral moves or change in responsibilities

14 promotions (actual level change)

2 people changed operating companies (includes one of the promotions)

88% were satisfied or very satisfied with the GEM program overall

96% were satisfied with their mentor

94% achieved mentorship goals

82% attended at least 1 of the Talent Development/DE&I events including 38% who attended multiple events

Most learned skill was “learning how to navigate the organization and relationship building”
Fueling Growth Through Mentoring

I had already ‘quietly quit’ my job at Atlanta Gas Light, but after discovering the GEM program, I got on a path that showed me how much the company actually invests back into its people. Alongside the GEM program, I had the privilege of joining my local safety committee, attending the interview training course, volunteering at multiple community clean ups, and acting as an ambassador for the United Way Campaign.

I’ve had a complete change of heart and have become more appreciative to work for this company and more optimistic about the future. It all started with the GEM program and the advice I received from my mentor Tiffany Callaway-Ferrell. I don’t feel like commendation is passed around enough in general so I want to share that I had a great experience and think this is going to make a positive difference for the company.

– Evin Witherspoon
Atlanta Gas Light
Field Specialist-A
RISE Program

In 2022, we relaunched the RISE program for women leaders in job grade Levels 7-8 across the company footprint. The program creates a platform for learning through engagement and collaboration, such as networking with peers and leaders.

Kicked off with 120 job grade Level 7 and 8 women leaders

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Percentage</th>
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<td>Asian</td>
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<tr>
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<td>Two or more races</td>
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<tr>
<td>White</td>
<td>54%</td>
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</table>

Ethnicity
Talent Acquisition

We continue to recruit the best and brightest talent today, for the Southern Company Gas of tomorrow. Our determined efforts to improve our hiring processes ensure that we are widening our search to find the best talent.

In 2022, we experienced the tightest labor market we’ve ever seen with over 3.4 million fewer workers in the labor force since 2020. Despite these challenges, we were able to meet our hiring demands and exceed several important goals for having a diverse workforce.
1,165 total hires for 2022, up 38% over 2021.

Workforce representation of people of color (POC) and women comprise 54.6% of our total workforce, which exceeds market availability (MA) benchmarks.

External hiring, promotions and opportunities for POC and women continue to significantly exceed representation (+15.1%, +9.1% and +9.6% compared to year-end 2021) having a significant positive impact on our demographics.

Delivered Qualified, Diverse Candidates

Intentional Candidate Sourcing Strategies

- 58% POC applicants up 7% over 2021
- 38% female applicants up 15% over 2021
- 32 intern hires
- 58 veteran hires
The external recognition we receive for our collective efforts in Fueling Equity strengthens our company’s brand and reputation, allows us to attract the best talent and increases our employees’ morale and loyalty.

Ranked #19 on DiversityInc’s 2022 Top 50 Companies for Diversity

- Ranked on five Specialty Lists
- Scored 100% on the Human Rights Campaign 2022 LGBTQ+ Corporate Equality Index for the 7th consecutive year
- Listed on Seramount’s 2022 Best Companies for Multicultural Women
- Listed on Seramount’s 2022 Inclusion Index List
- Scored a 100% on the Disability Equality Index for the 5th consecutive year
- #2 Military Friendly Employer by GI Jobs

Mock interview day for the Nicor Gas Career Academy’s seventh cohort

Talent Acquisition (TA) organized a donation drive for the Solomon’s Temple Foundation
Community Engagement

Our commitment to DE&I goes beyond improving our workplace for our employees. It extends to our customers, neighbors and the communities that we serve.

Our collective efforts in improving the lives of our friends and neighbors that we serve benefits our communities and strengthens our company’s brand, reputation and customer loyalty.
### By State Numbers

<table>
<thead>
<tr>
<th>State</th>
<th># of Volunteers</th>
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<td></td>
<td>1,441</td>
<td>12,067</td>
</tr>
</tbody>
</table>

### 2022 Employee Charitable Giving Summary

Amount donated by employees to charitable organizations

$1,364,384
Some of the **major initiatives and efforts** that have made a significant impact on improving **lives in the communities** we serve:

**Virginia Natural Gas** awarded $750,000 to Salvation Army to support EnergyShare program. This is the largest single grant ever presented by VNG. The donation will be used to fund EnergyShare, a program administered by the Salvation Army that provides financial assistance with energy costs for those customers experiencing economic hardship.

**Atlanta Gas Light’s** 2022 Energy to Give campaign donated more than $366,000 to community partner organizations to provide bill payment and heating appliance assistance to income-eligible natural gas customers. Our partners include St. Vincent de Paul Georgia, HEAT (Heating Energy Assistance Team), the United Way of Greater Atlanta and HopeWorks.

**Nicor Gas** announced a commitment of $500,000 over five years to the Quad County Urban League to support their partnership with the company’s award-winning Career Academy. The program is a free, six-week job-readiness program designed to prepare participants for entry-level work in the utility industry, focusing on natural gas.

**Nicor Gas** announced a commitment of $100,000 in grants to support diversity initiatives that address the lack of access to opportunities for those experiencing discrimination based on race, national origin, gender, religion, age, sexual orientation, veteran status and physical disabilities. Nicor Gas awarded 21 organizations with grants of up to $5,000 to support their diversity, equity and inclusion initiatives.

**Nicor Gas** announced $500,000 over five years to the Quad County Urban League to support their partnership with the company’s award-winning Career Academy. The program is a free, six-week job-readiness program designed to prepare participants for entry-level work in the utility industry, focusing on natural gas.

**The Nicor Gas Foundation** committed $175,000 to the Cook County Southland Juvenile Justice Council (S.J.J.C) to support its violence prevention, reduction and restorative sustainability plan to benefit youth who have experienced trauma in the south suburban Chicago area.

In 2022, **Chattanooga Gas** donated $535,000 to community partners to help customers in need over the next 10 years.
In 2022, the Supplier Diversity Organization was rebranded as Supplier Inclusion. This name change better reflects our commitment to integrate our small and diverse suppliers into how we do business. Our goal is to develop long-term mutually beneficial business partnerships while continuing to increase the economic impact within the communities we serve.

Our success depends on every member of the Southern Company Gas family. Whether advocating for local, small and diverse businesses, providing mentoring, education and development support or making purchasing decisions, we all play a critical role in strengthening inclusion in our company and communities.
Nicor Gas Supplier Diversity Awards

Our 2021 Year-End Review, Awards, and Recognition Event held in Illinois and Georgia.
Supplier Diversity and Innovation Symposium

More than 100 participants came together to participate in the Supplier Diversity Sustainability and Innovation Symposium: “Is Your Business Prepared to Fuel A Sustainable Future.” The event provided valuable insight into Southern Company Gas’ sustainability strategies and commitment towards the journey to net zero.

$678.1 Million
Spent $678.1 million with minority, women, and veteran-owned businesses

38.8%
38.8% of the dollars spent in 2022 were with businesses owned by minorities, women, and veterans – exceeding the goal of 33.9%

100+
Attendees
Over 100 people attended the Supplier Diversity Sustainability and Innovation Symposium

100+
Engagements
In 2022, engaged in more than 100 events supporting the diverse business community. Many were sponsored by advocacy agencies and organizations to expand our network and strengthen existing relationships to grow qualified diverse businesses.
Summary

Southern Company Gas strives to create a culture where everyone feels valued, respected and welcomed. We are committed to an employee experience that fosters equity and inclusion, and harnesses the diversity of our talent to shape our culture and community. On an individual level, our journeys contribute to the organization’s overall success, while allowing room to identify areas for continued growth.