

QUESTIONS FROM DWS INVESTMENT GMBH  
The Southern Company  
ANNUAL MEETING OF SHAREHOLDERS  
22nd OF MAY 2024  
INTENDED FOR ONLINE PUBLICATION



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Dear Mr Womack,  
Dear members of the board,

DWS Investment GmbH, also acting on behalf of funds of DWS Investment S.A. (incl. SICAVs and PLCs) and certain institutional mandates of DWS International GmbH, all according to delegation agreements (hereafter DWS), is one of the largest asset managers in Europe. As a responsible investor in The Southern Company, it is part of our fiduciary duty to relay our expectations in the best interest of our clients. Our commitment to environmental, social and governance practices (ESG) is a crucial element of our responsibilities and forms an integral part of our investment process.

Ahead of your 2024 annual general meeting of shareholders (AGM), we would like to share our questions with you and would greatly appreciate a written response. Please note that these questions will be posted on our website ([www.dws.com](http://www.dws.com)) on the day of your AGM.

### **Net Zero**

Corporations and investors have a key role to play towards the need for emissions to be reduced in the mutual goal of coping with the impacts of global warming. In this regard, we support the Climate Action 100+ and the Net Zero Asset Managers initiatives with the aim to enhance the governance of climate change risk and opportunities, to curb emissions and to strengthen climate-related financial disclosures.

The Southern Company has 50% scope 1 GHG reduction target by 2030 and NetZero ambition for scope 1 by 2050. This ambition does not include scope 3 and raise concern about Southern's alignment with the Paris Agreement. It seems capex allocation for the GHG reduction is not transparent and publicly available. We also understand that Southern Company will further invest to its coal power plants and coal retirement plan is no fixed and inconsistent with the Paris Agreement.

**Question 1: How does The Southern Company plan to ensure that its only scope 1 GHG reduction goal is consistent with the Paris Agreement? Can we expect that scope 3 GHG reduction goal will be incorporated into the long term GHG reduction target?**

**Question 2: Why does The Southern Company cannot publish its capex plan to meet its 2030 GHG reduction goal?**

**Question 3: When can we expect that The Southern Company will publicly announce its asset level coal phase out plan?**

## **Independence**

Qualified, experienced and independent directors are essential for competent and effective decision-making processes at a board and committee level. Having a majority of independent members serving on the board, key committees as well as independent committee chairpersons is important for us to ensure challenging board discussions. According to the DWS Corporate Governance and Proxy Voting Policy, directors whose tenure exceeds 10 years are no longer viewed as independent. Due to the current board composition and above criteria, it is DWS's view that that the Audit and Compensation committees lack the necessary majority independence.

**Question 4: When can we expect The Southern Company to introduce new directors with fresh perspectives to balance the overall board composition as well as key committees? If not please provide us with your rationale?**

Where one person assumes a combined Chair/CEO role, a qualified lead independent director must be in place to ensure a balance of power, oversight, and interests of investors. However, we cannot consider Mr. David Grain (who is presently the Lead Director) as independent, as he exceeds our independence criteria regarding the tenure limit of 10 years.

**Question 5: Are you planning to separate the roles of CEO and Chairman of the board in the near future to follow a dualistic board structure?**

**Question 6: In case there are no changes to the role of CEO and Chairman of the board planned, can we expect a near-term change in the role of the lead independent director which would be then in line with our independence criteria?**

To conclude, we would like to thank all members of the board and all the employees of The Southern Company on their commitment and dedication over the past year. We appreciate the possibility to raise questions at your AGM and already thank you in advance for your answers.