

Fueling Our Energy Future



Executive Summary

CORPORATE RESPONSIBILITY AND
SUSTAINABILITY REPORT 2021





TABLE OF CONTENTS

6

Overview

8

Employees

14

Safety

16

Environmental and
Operational Sustainability

20

Community

22

Governance



Message From the CEO

For nearly a quarter century, Atmos Energy's culture, AtmoSpirit, has been the foundation of our enduring success. The five principles: Inspire Trust, Be at Your Best, Bring Out the Best in Others, Make a Difference, and Focus on the Future capture the values, beliefs, and behaviors we embrace. Those principles guide us as we provide safe and reliable natural gas service to more than 3 million customers across 1,400 communities and eight states.

Our 2021 Corporate Responsibility and Sustainability Report highlights the exceptional work of our Atmos Energy team in many areas. These include our employees, public and pipeline safety, system modernization, methane emission reduction, community support, and our culture.

We continued our investment strategy of operating safely and reliably while we modernized our natural gas distribution, transmission, and storage systems. We invested \$2 billion dollars with approximately 88 percent dedicated to safety and reliability projects. That investment and the modernization of our systems, especially the last 10 years, provided the reliability necessary to serve our human needs customers during Winter Storm Uri in February 2021.

Our system modernization projects have yielded an approximately 20 percent reduction in methane emissions since 2017. We are making excellent progress towards our goal of reducing methane emissions 50 percent by 2035 from 2017 levels for EPA-reported distribution mains and services.

Furthering our commitment to safety, we enhanced our training curriculum to include a balance of virtual classroom training, guided hands-on experience, and peer mentorship. Delivering nearly 89,000 hours of health and safety training in fiscal year 2021, Atmos Energy has now delivered nearly 1.8 million hours of training to our employees since 2011.

In addition to modernizing our systems and enhancing our training curriculum, we integrated safety and business process improvement initiatives into a comprehensive environmental strategy. Our environmental strategy is focused on reducing our Scope 1, 2, and 3 emissions and environmental impacts from our operations in five key areas: Gas Supply, Operations, Fleet, Facilities, and Customers.

This report's Environmental and Operational Sustainability section details our progress in those five key areas. Some examples are the installation of methane monitoring equipment such as Gas Cloud Imaging capabilities in our storage fields, transitioning our light duty vehicle fleet to gasoline-hybrid vehicles and our heavy-duty vehicles to compressed natural gas, the continued expansion of Renewable Natural Gas on our systems, and the further deployment of advanced leak detection technologies.

Our first Zero Net Energy (ZNE) home is also detailed in this year's report. This home was possible because of valued partnerships like that with the Greeley-Weld Habitat for Humanity in Colorado. The ZNE home uses high-efficiency natural gas appliances, rooftop solar panels, and innovative weatherization to produce more energy than it consumes at a very affordable cost for the homeowner. Providing this family with a natural gas home that is environmentally friendly and cost efficient is just one way Atmos Energy Fuels Safe and Thriving Communities. This project and two more ZNE homes being developed in Texas demonstrate the role and value of natural gas in helping customers reduce their carbon footprint at home in an affordable manner.

At Atmos Energy, the commitment to Making a Difference for our neighbors and the communities we serve runs deep. We Fuel Safe and Thriving Communities by supporting schools and students with books, meals, and snacks; honoring our community heroes; planting trees; working in community gardens; hosting utility fairs; and conducting energy assistance blitzes to assist our customers with financial support.

Our continued success is possible because of our employees' dedication to being the safest provider of natural gas services. They are the heart and soul of Atmos Energy, and I am extremely proud of their commitment to keep our customers, our communities, themselves, and their families healthy and safe.

Focusing on long-term sustainability has always been a part of Atmos Energy's strategy and is reflected in the vital role we play in every community, safely delivering reliable, affordable, efficient, and abundant natural gas to homes, businesses, and industries to fuel our energy needs now and in the future.



Kevin Akers

President and Chief Executive Officer



OVERVIEW

About This Report

This Executive Summary highlights our Environmental, Social, and Governance (ESG) strategy, commitments, and the progress we have made executing our ESG strategy and meeting our commitments. Although the information shared primarily covers our activities during fiscal year 2021, we've also included a few examples of our efforts from late 2020 and early 2022 to provide context to our progress and direction. Additionally, certain data points included in the report are measured on a calendar year basis and reflect information for calendar year 2020.

Atmos Energy supports the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and has committed to work towards implementing these recommendations. In fiscal year 2021, we initiated a deliberate, enterprise-wide approach for implementing TCFD recommendations over time and began

incorporating elements of this framework into our fiscal year 2021 corporate responsibility reporting under the oversight of the Corporate Responsibility, Sustainability, and Safety Committee of our Board of Directors.

In fiscal year 2022, a team of senior leaders began a materiality assessment process with input from internal and external stakeholders to enhance our understanding of current and potential ESG impacts. In identifying material topics across our enterprise, the team is focused on those that both align with our vision, principles, purpose, strategy, and geographic footprint, and affect customers, employees, communities, regulatory agencies, and other stakeholders in the regions where we operate. Continued implementation of this reporting framework underscores our commitment to adopting meaningful sustainability practices and reporting capabilities.

We have also aligned our reporting with the Sustainability Accounting Standards Board (SASB) and continue to report ESG metrics through the American Gas Association's ESG/Sustainability template and the Global Reporting Initiative (GRI) index. We have opted not to use the CDP framework because it is not tailored to the natural gas utility business. Our complete fiscal year 2021 Corporate Responsibility and Sustainability Report, including our GRI and SASB indices can be found [here](#).



Our ESG Strategy: Fueling Our Energy Future

Atmos Energy Corporation, an S&P 500 company headquartered in Dallas, is the country's largest natural gas-only distributor. We safely deliver reliable, efficient, and abundant natural gas to more than 3 million distribution customers in over 1,400 communities across eight states. Atmos Energy manages proprietary pipeline and storage assets, including one of the largest intrastate natural gas pipeline systems in Texas. Fiscal year 2021 highlights can be found [here](#).

Our ESG strategy aligns with our vision of being the safest provider of natural gas, our culture founded on AtmoSpirit principles, and our purpose and corporate strategy. This alignment focuses our resources on the intersection of matters that are material to our business and where we can have the greatest impact. For us, this means hiring and training a diverse and engaged workforce, investing in safety, focusing on operational and environmental sustainability, and Fueling Safe and Thriving Communities.





EMPLOYEES

AtmoSpirit Principles

Everything at Atmos Energy begins with our core values. AtmoSpirit principles are the beliefs and behaviors we embrace as a company and strive to embody as individuals at work, in our communities, and at home. Established almost a quarter century ago, AtmoSpirit is reflected in five core principles.

1

Inspire Trust

2

Be at Your Best

3

Make a
Difference

4

Bring Out
the Best
in Others

5

Focus on
the Future

Every Atmos Energy employee is introduced to the AtmoSpirit principles and attends Atmos Energy Essentials, an introductory program facilitated by fellow employees who exemplify AtmoSpirit. The program is a vital introduction to our business and our culture.

Atmos Energy's Culture Council sustains and strengthens AtmoSpirit. Comprised of employees from across the enterprise who exemplify our values, the Culture Council convenes regularly to help monitor employees' health, emotional well-being, and job satisfaction levels. The Culture Council periodically connects with employees and provides them opportunities to share their personal experiences and opinions about working at Atmos Energy.



"We are intentional about our culture—we live and breathe it every day."

Shele B., Director of Benefits

Shele has been with Atmos Energy for 12 years and became a new member of the Culture Council in 2021.



"I am going to miss getting up and going to work for Atmos Energy. The employees are like family here. I would tell any young person looking for a job to seriously consider Atmos Energy. You will not go wrong; they treat their employees with respect."

David M.

"This company sincerely cares for its employees."

George M.

On Nov. 5, their last day with the company, George (left) and David (right) book-end younger brother Jerome at the Meridian Service Center. The three Mosley brothers represent 130 years of combined service.



Recruiting and Training a Diverse and Engaged Workforce

We recruit individuals with a variety of skills, talents, backgrounds, and experiences. We enhance their knowledge and skills through training. We empower them to succeed in an energetic, safety-focused company that reflects their values and supports their efforts. This approach is rooted in AtmoSpirit principles and is the reason so many of our people spend their entire careers at Atmos Energy. In 2021, people who retired from the company had an average service tenure of 32 years.

Currently, more than 290 veterans and active-duty military team members impact all areas of our company, contributing their leadership, rigorous work ethic, talents, backgrounds, and experiences. Atmos Energy veterans are executives, engineers, service technicians, construction crew leads, accountants, customer service agents, marketing associates, public affairs managers, human resources team members, instructional technology experts, workforce development creators, company culture facilitators, security specialists, and operational support team members.



“We partner with local organizations that share our appreciation of the military community to identify, recruit, and hire veteran and military candidates. Our company is a place where people with diverse backgrounds join together and strive to create a great future. Investing in our people is vital to our success and also helps us best reflect and serve the communities where we live, work, and play.”

Matt Robbins, Senior Vice President, Human Resources

Providing Opportunities for Growth and Leadership

Bringing out the Best in Others means finding ways to give employees what they need to do their jobs, develop in their careers, and make a difference in the lives of others. Facilities Maintenance Coordinator Darrell R. has had a long career at Atmos Energy. His resilience and commitment to being at his best has driven him to adapt to new environments, learn new technology, and

overcome challenges. Darrell's responsibilities included adapting to new protocols in fiscal year 2020 and into the present, due to the global coronavirus (COVID-19) pandemic, to help keep his coworkers safe in Atmos Energy facilities. More than 30 years ago, Darrell was diagnosed with macular degeneration, which has reduced his vision over time. When he revealed the condition to supervisors, their response was quick and proactive, helping Darrell continue to contribute his expertise and his AtmoSpirit.



“Atmos Energy has always asked, ‘What do you need to do your job?’ Early on, they got me set up with an association for people with blindness, who came in and did an assessment and suggested different things that could be provided. Atmos Energy jumped on it and got me what I needed.

I have magnifiers in place, CCTV, and large keyboards. Modern technology has been very helpful at enabling me to do my work.

When I came in, I could tell it was a caring company, and they would go above and beyond for all employees.”

Darrell R., Facilities Maintenance Coordinator

Atmos Energy provides effective technical training to achieve our vision of being the safest provider of natural gas services. Each Atmos Energy field employee is equipped with a Learning Path that outlines the necessary training they need to excel in their role. In the weeks following Atmos Energy Essentials, our classroom instructors deliver job-specific training virtually, while experienced Field Mentors from across our operating divisions facilitate hands-on, in-person training.

To pave the way for employee advancement and personal growth, the Robert W. Best Educational Assistance program is available to all full-time employees upon their hire date. The program provides up to \$5,250 annually for tuition, books, administration, transfer, and related expenses.

In fiscal year 2021, Atmos Energy employees received more than 216,000 hours of training, with over 88,000 hours related to health and safety.

We recognize that effective leaders come from a wide range of backgrounds. Our leadership development efforts are designed to support individuals as candidates, new hires, and throughout their career at Atmos Energy. Our Employer Assistance and Resource Network assists with professional goal-setting, performance planning, personal development, and succession planning to help them advance their careers and strengthen their commitment to AtmoSpirit. We continue to partner with local colleges and universities to recruit qualified candidates. We actively share job postings with over 600 locally focused, diverse organizations.



"I began my career with Atmos Energy as a meter reader in the Mid-Tex Division in 1996. In my 25 years with the company, I have worked in Operations, Marketing, and Public Affairs. I was named president of the Louisiana Division on January 1, 2022.

Over the years, I have had the opportunity to use AtmoSpirit principles in a variety of roles for the company and for the community, including working with the Dallas Regional Chamber, Junior League of Dallas, and African American Museum of Dallas."

Oric Walker, President, Louisiana Division

159

Employees enrolled
in courses in 2021

87%

Of those enrolled in
2021 are working
toward a degree

394

Employees
enrolled in courses
since 2017



"I joined Atmos Energy 33 years ago, starting out as a marketing representative in Tupelo, Mississippi. In 1991, I was promoted to Operations Supervisor in the town of Amory, and I was working on completing my master's degree. Just four years later, I became Atmos Energy's first female District Manager in Mississippi, with a team of 50 bright, hard-working people. In 2005, my responsibilities expanded to include the entire Golden Triangle region and my team doubled."

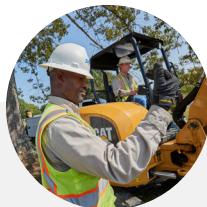
Michele W., District Manager

In Calendar Year 2021



47%

of participants in our
Developing Leaders
learning tracts were
minority and women.



63%

of employees in our
Educational Assistance
program were minority
and women.



60%

of our new hires were
minority and women.



Investing in Safety

Our vision is for Atmos Energy to be the **safest provider of natural gas service**. Pursuing that vision drives everything we do. Our commitment to safety flows from AtmoSpirit principles to a focus on Employee Safety, System Safety, and Public Safety. Safety is at the core of our procedures, practices, training, oversight, and assurance activities.



“Our pipeline safety activities are the most important part of our business. We are focused on delivering safe, reliable natural gas to our communities now and in the future. Through Transmission Integrity Management, Distribution Integrity Management, and our Pipeline Safety Management System, we assess, monitor, and maintain safe systems.”

Jennifer Ries, Vice President, Pipeline Safety

Pipeline Safety

We take a multifaceted approach to pipeline safety. Our Transmission Integrity Management and Distribution Integrity Management programs comply with pipeline safety regulatory requirements from state and federal authorities and provide a framework for identifying threats, evaluating risks, implementing corrective measures, and monitoring performance over a periodic improvement cycle.

Atmos Energy has a comprehensive pipe replacement program, and through those efforts we've worked to replace cast iron and unprotected steel pipelines as well as vintage plastics and other industry identified materials. Read more about pipeline replacements completed in 2021 and planned for the next five years [here](#).

In 2019, Atmos Energy formally adopted a Pipeline Safety Management System (PSMS) to enhance the identification of risks and continuously improve safety processes. We continued to mature our PSMS in 2020 and 2021. In 2021, as part of our continuous improvement process, we executed a Pipeline Safety Excellence Project, with the purpose of reviewing core pipeline safety programs aligned with regulatory drivers. Late in 2021, we formalized a Management of Change process, which was piloted in early 2022, and initiated the development of a Quality Assurance Program. These projects enhance our integrated approach to managing risk across the enterprise through data-driven decisions.

Reducing Third Party Damage to Our System

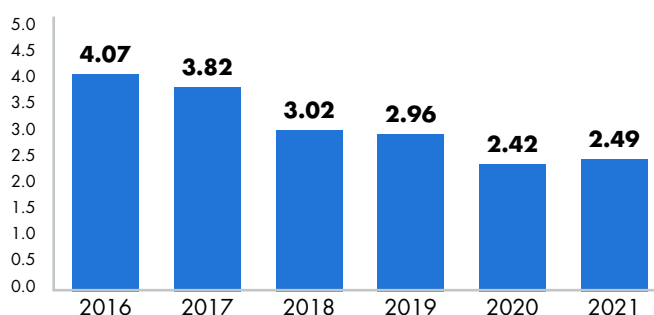
In fiscal year 2021, Atmos Energy experienced 5,706 instances of third party pipeline damage to our pipeline system, which represented a damage rate of 2.33 damages per 1,000 locates. This represented a 4 percent improvement in the damage rate from fiscal year 2020.

Occupational Safety

We measure our safety performance against a variety of industry benchmarks and surveys including those performed by the American Gas Association (AGA). Our commitment to safety has resulted in a decrease in our Recordable Injury Rate (RIR) and our Days Away/Restricted/Transfer Injury Rate (DART) when compared to 2016. In addition, Atmos Energy outperforms the AGA industry average Reportable Motor Vehicle Collision Rate (RMVC) for vehicular safety.

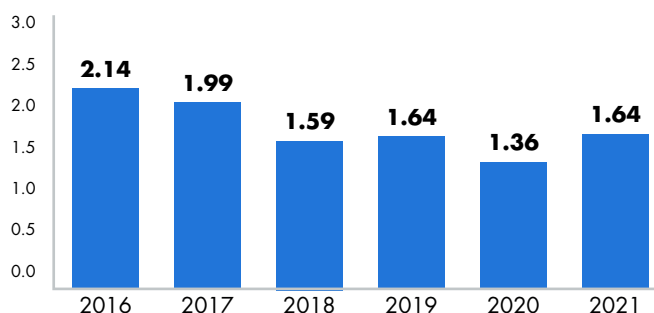
Recordable Injury Rate (RIR)

(per 200,000 hours worked)



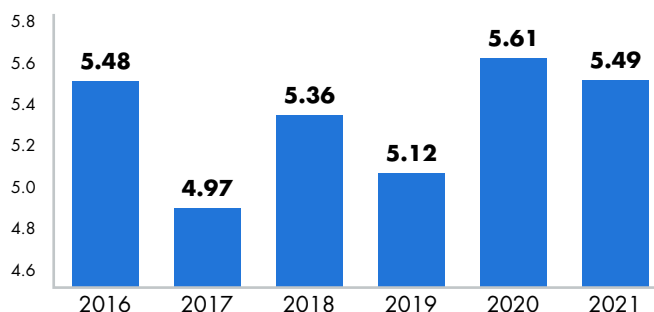
Days Away/Restricted/Transfer Injury Rate (DART)

(per 200,000 hours worked)



Reportable Motor Vehicle Collision Rate (RMVC)

(per 1,000,000 miles driven)





ENVIRONMENTAL AND OPERATIONAL SUSTAINABILITY

Focusing on Environmental and Operational Sustainability

Comprehensive Environmental Strategy Supports a Lower Carbon Future

The use of natural gas results in fewer emissions than burning coal or petroleum products to produce an equal amount of energy, and carbon dioxide emissions from residences using natural gas for space heating, water heating, cooking, and clothes drying are about 22 percent lower than those attributable to an all-electric home.^[1] For these reasons, natural gas is essential to a lower carbon future while maintaining low energy costs for consumers.

Recognizing this, in fiscal year 2021, Atmos Energy, with the oversight of the Corporate Responsibility, Sustainability, and Safety (CRS&S) Committee of the Board of Directors, developed a comprehensive environmental strategy focused on reducing Scope 1, 2, and 3 emissions and other environmental impacts from

our operations, fleet, facilities, gas supply, and customer end-use. We are committed to reducing methane emissions through system modernization and monitoring, investments in technology, and operational advances.

Ongoing System Modernization Work

During fiscal year 2021, we replaced nearly 1,100 miles of distribution and transmission pipe (about 1.4 percent of our total system) and approximately 38,000 steel service lines (about 4.8 percent reduction). We eliminated all remaining cast iron pipe in calendar year 2021. Over the next five years, we plan to replace between 5,000 and 6,000 miles of distribution and transmission pipe and between 100,000 and 150,000 steel service lines, resulting in a 15 to 20 percent reduction in methane emissions over the next five years.

[1] See American Gas Foundation 2022 Playbook at <https://playbook.aga.org/>

Improving Monitoring and Measuring of Methane Emissions

We utilize state-of-the-art technologies for leak detection, including advanced mobile leak detection technology that measures methane in parts per billion, which is 1,000 times more sensitive than traditional technologies. We have 12 units in operation, and we are deploying additional units in Mississippi and Colorado in 2022.

In fiscal year 2021, we improved our monitoring capabilities at our storage facilities with the installation of a Gas Cloud Imaging (GCI) camera at our Tri-Cities storage and compression facility. Additionally, we piloted ultrasonic gas leak detection technology at our Lake Dallas storage and compression facility, and we installed forward-looking infrared (FLIR) cameras at our wellheads to continuously monitor for leaks. More information about our use of new technologies and programs to protect the environment can be found [here](#).

Implementing Lower-Carbon Operating Practices and Solutions

We have designed and built 15 LEED-certified buildings with two more planned for completion in fiscal year 2022. Due to the sustainable design of our buildings, we have reduced our environmental footprint by approximately 541 metric tons of carbon dioxide, 4,868 grams of sulfur dioxide, and 2,372 grams of nitrous oxide per year. Additionally, we estimate that our LEED-certified buildings reduce water usage by about 50 to 60 percent annually. Learn more about our LEED-certified buildings at our [website](#).

Additionally, early in fiscal year 2022, we completed the installation of our first natural gas-powered fuel cell at one of our Dallas facilities, which is expected to produce natural gas-driven, sustainable, low carbon power that is equivalent to approximately 25 percent of our Texas usage. We seek to utilize all forms of energy to minimize our carbon footprint. For example, we installed our first onsite solar panels at our recently completed Forth Worth and Haslet offices and are evaluating other facilities for solar panel installation.

During fiscal year 2021, we developed a strategy to transition our fleet to more carbon-efficient vehicles as part of our normal replacement cycle and to use advanced technologies to improve fleet efficiency. This strategy will lead to greater fleet diversification and efficiency while reducing overall emissions. Starting in fiscal year 2022, Atmos Energy is incorporating more energy efficient technologies, such as compressed natural gas (CNG) and hybrid electric-gas (for SUVs and passenger trucks) vehicles. To support the fleet, we will begin installing strategically located CNG refueling stations in 2022.

[Read more](#) about how we are implementing lower carbon operating practices and other solutions to protect the environment.

Expanding Supply Options and Opportunities Including Renewable Natural Gas

Atmos Energy is partnering with several stakeholders to support their renewable natural gas (RNG) projects by transporting the RNG they produced through our system. During fiscal year 2021, we added approximately 2 Bcf of RNG to our system and are now transporting approximately 8 BCF. Read more about our renewable gas supply efforts [here](#).





Expanding Customer Energy Efficiency Programs

According to a study commissioned in 2019 by the American Gas Foundation^[2], the use of commercially available, high-efficiency natural gas appliances is a more cost-effective and faster way to reduce greenhouse gas (GHG) emissions in the residential sector than other options currently being considered. Additionally, energy efficiency programs can help customers afford the installation of these appliances and conserve energy. We currently offer conservation and energy efficiency programs in our Louisiana, Mississippi, Colorado, and Mid-Tex divisions, with Louisiana being the latest authority to approve the program in early 2022. These programs, which are marketed as SmartChoice Rebates, provide financial incentives to purchase high-efficiency natural gas equipment and smart thermostats and install home weatherization upgrades, in addition to providing free energy-saving devices.

Atmos Energy has partnered with Habitat for Humanity for 20 years to provide affordable housing and in September 2021, we completed the construction of our first Zero Net

Energy (ZNE) home. The ZNE home uses high-efficiency natural gas appliances, rooftop solar panels, and innovative weatherization to produce more energy than it consumes at a very affordable cost for the homeowner. This project and the other ZNE homes that are being built across our eight state service territory demonstrate the role and value of natural gas in helping customers reduce their carbon footprint at home in an affordable manner while Fueling Safe and Thriving Communities. Learn more about our ZNE home [here](#).

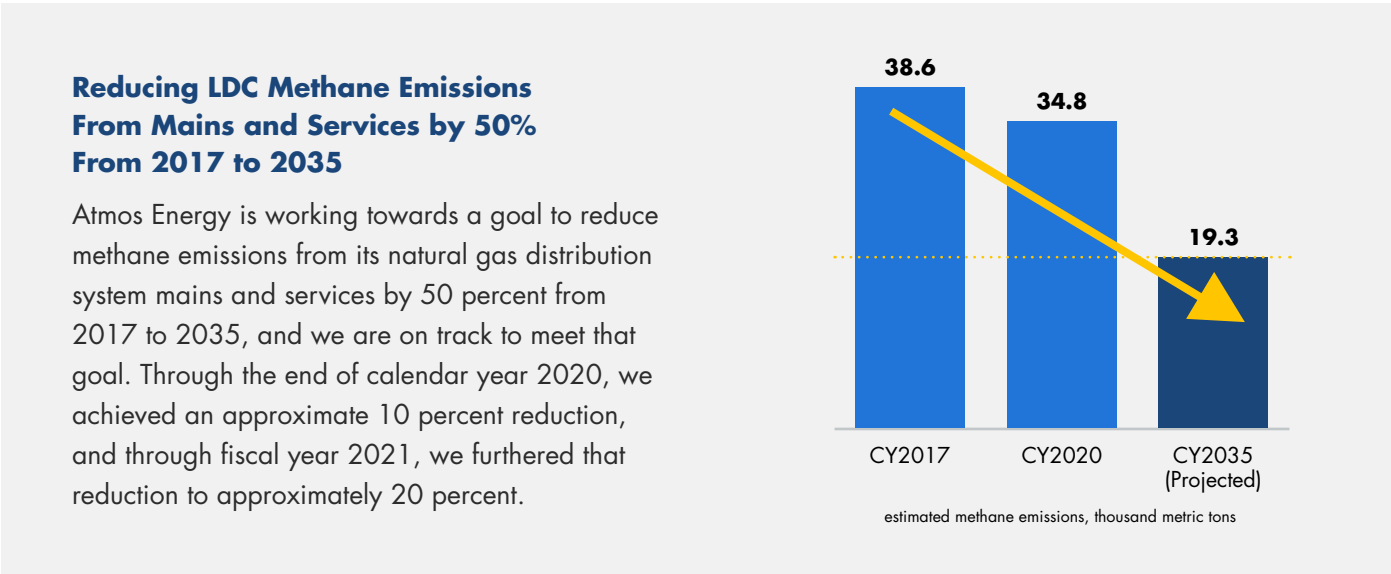
Exploring Clean Energy Technologies Through Research and Development

In fiscal year 2020, we joined ONE Future, a coalition of more than 50 natural gas companies working together to voluntarily reduce methane emissions across the natural gas value chain to 1 percent (or less) by 2025. And, in fiscal year 2021, we joined the Gas Technology Institute's Low Carbon Research Initiative, which is seeking to accelerate the commercial deployment of low- and zero-carbon technologies. Through participation in these groups, we are supporting research and development initiatives to further reduce emissions while remaining focused on our overall environmental strategy.

^[2] See American Gas Foundation (2019), Opportunities for Reducing Greenhouse Gas Emissions Through Emerging Natural Gas Direct-Use Technologies, <https://gasfoundation.org/wp-content/uploads/2019/12/AGF-2019-Direct-Use-Study-Full-Report-Final-12-18-19-V2.pdf>

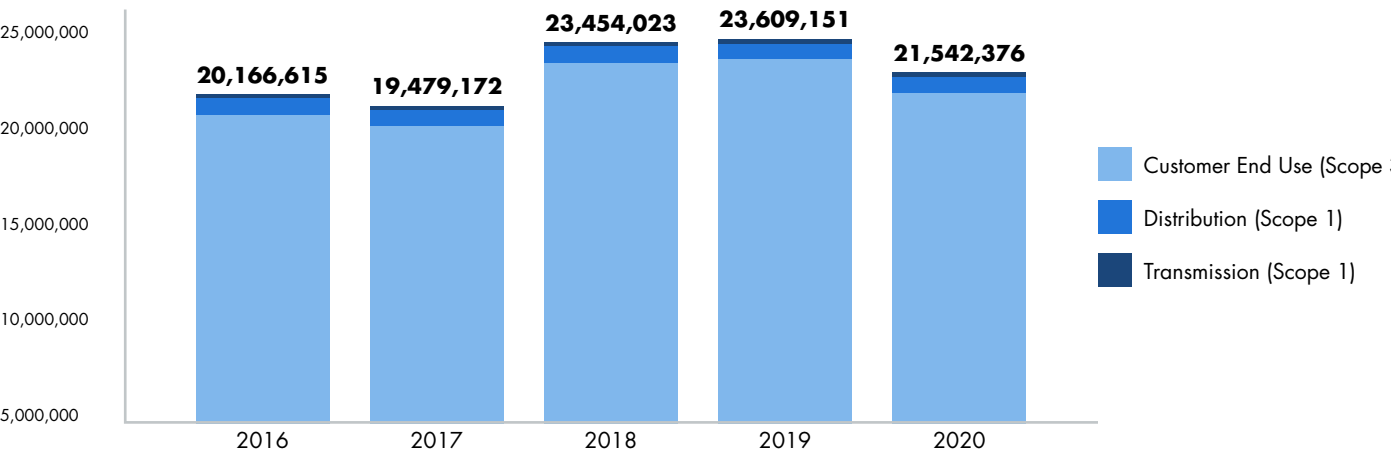
Greenhouse Gas Commitments and Progress

During fiscal year 2019, we announced a goal to reduce methane emissions from our distribution mains and services by 50 percent by 2035. Emissions from mains and services constitute the primary source of our total distribution Scope 1 emissions as defined by the United States Environmental Protection Agency (EPA).



The chart below summarizes our total reported GHG emissions as estimated and reported to the EPA by category over the last 5 years.^[1] Several factors influence our annual GHG emissions totals, including the expansion of our distribution and transmission system, fluctuations in customer end use, and our ongoing system modernization efforts. The general increase in our total reported emissions since 2016 is mainly due to customer growth and system expansion to meet rising customer demand.

Total Estimated EPA-Reportable GHG Emissions (MT CO₂e)



[1] The Greenhouse Gas (GHG) Emission information in this chart represents emissions that we are required to estimate and report to the EPA in accordance with its GHG Mandatory Reporting Rule, codified in 40 CFR Part 98. We are required to classify our EPA-reported GHG emissions into three primary categories: Distribution (Scope 1 - 40 CFR 98 Subpart W), Transmission (Scope 1 - 40 CFR 98 Subpart C and Subpart W), and Customer End Use (Scope 3 - 40 CFR 98 Subpart NN). Subparts C and W require reporting of our Scope 1 GHG emissions from combustion and from petroleum and natural gas systems, respectively, for facilities that emit 25,000 metric tons or more of CO₂e per year. Subpart NN requires Scope 3 reporting of end use emissions from all local natural gas distribution companies that physically deliver natural gas to customers and operate within a single state. This chart does not represent a complete inventory of our consolidated Scope 1 - 3 GHG emissions.



Fueling Safe and Thriving Communities

Our Fueling Safe and Thriving Communities program strives to make a positive impact by:

- Fueling bright minds and healthy futures.
- Honoring our community heroes.
- Helping our communities stay warm.

In fiscal year 2021, Atmos Energy...

- Donated \$10,000 to River Road Independent School District to support classroom instruction and technology for all students in kindergarten through high school.
- Donated \$100,000 to the North Texas Food Bank which will provide 300,000 meals to North Texas residents who struggle with food insecurity.
- Delivered more than 24,000 meals to healthcare workers during National Hospital Week.
- Donated \$1,000,000 to the American Red Cross to help provide disaster relief to communities impacted by Hurricane Ida.
- Helped 53,445 households receive assistance through LIHEAP, Sharing the Warmth, and other programs.



Feedback about the impacts of our Fueling Safe and Thriving Communities program from a few of our community partners:



“We are thankful for corporate partners like Atmos Energy that are bridging the gap between hunger and help in North Texas. Their gift addresses the significant hunger needs in our community, including the 1 in 5 children who are facing food insecurity. We are deeply grateful for Atmos Energy’s trust and will use these funds to advance our mission of a hunger-free and healthy North Texas.”

Trisha Cunningham, President and CEO, North Texas Food Bank



“This wonderful donation comes at a critical time for our district in light of continued learning challenges due to COVID-19. It is evident Atmos Energy is a true, caring community partner. Parents, teachers, staff, and the community will greatly benefit from this timely gift.”

Amanda Brown, Board President, River Road Independent School District



“We cannot thank Atmos Energy enough for their generosity, which will enable us to provide shelter, relief supplies, food, and comfort to families as they begin to rebuild their lives after this catastrophic storm. As part of its Fueling Safe and Thriving Communities initiative, Atmos Energy’s donation to the American Red Cross will provide significant support for disaster relief efforts.”

Gail McGovern, President and CEO, American Red Cross



GOVERNANCE

Leading With Integrity

We continuously improve by not only doing the right things, but doing things the right way, guided by AtmoSpirit principles. Our corporate governance structure includes multiple levels of leadership to optimize meaningful input. We lead by example, adhering to the standards set forth in our Code of Conduct, which reflects our deep commitment to corporate responsibility, employee respect, and our culture.



“Atmos Energy’s commitment to ethical business practices extends beyond regulatory compliance. It drives the way we operate and informs how we treat employees, customers, and the public.”

Chris Forsythe, Senior Vice President and Chief Financial Officer

Board of Directors and Company Leadership

Our Board's leadership structure is designed to provide independent oversight of corporate management and key issues related to strategy and risk. Our lead director is independent. All standing Board committees are chaired by independent directors. Additionally, independent directors regularly hold executive sessions outside the presence of the chairman, the president and CEO, or any other company employees. Learn more about our Board [here](#).

- Our CRS&S Committee provides Board-level oversight of Atmos Energy's policies and practices governing business ethics, safety practices, culture and diversity, environmental stewardship, and operational sustainability.
- Our Management Committee is comprised of five senior leaders responsible for the execution of company strategy as approved by the Board. The committee meets regularly to actively monitor safety, operational, and financial performance and oversees compliance with policies, procedures, and ethical business practices.
- Our Risk Management and Compliance Committee (RMCC) is responsible for ensuring that policies, procedures, and practices are in place for Atmos Energy's management of risks and reporting the results of the RMCC's activities to Atmos Energy's Management Committee.
- Our Vice President—Pipeline Safety provides strategic direction and functional oversight of our safety and compliance efforts. Additionally, each of our Operating Divisions is led by a Corporate Officer (Division President) who is responsible for the oversight of safety in their operating area.

CAUTIONARY STATEMENT This material includes forward-looking statements. These statements can be identified because they use words such as "anticipate," "believe," "estimate," "may," "could," "expect," "forecast," "target," "goal," "intend," "objective," "plan," "projection," "seek," "strategy," or similar words. Similarly, statements that describe future plans or strategies and future emissions reductions are forward-looking statements. Such forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the statements. These risks and uncertainties include the following: federal, state, and local regulatory and political trends and decisions; increased federal regulatory oversight and potential penalties; possible increased federal, state, and local regulation of the safety of our operations; the impact of greenhouse gas emissions or other legislation or regulations intended to address climate change; possible significant costs and liabilities resulting from pipeline integrity and other similar programs and related repairs; the impact of climate change; increased dependence on technology that may hinder the Company's business if such technologies fail; our ability to continue to access the credit and capital markets to execute our business strategy; the impact of adverse economic conditions on our customers; and other risk factors discussed under Part I, Item 1A, Risk Factors, and Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, Cautionary Statement for the Purposes of the Safe Harbor under the Private Securities Litigation Reform Act of 1995 in our Annual Report on Form 10-K for the fiscal year ended September 30, 2021, which should be read in conjunction with the forward-looking statements in this report. Atmos Energy undertakes no obligation to update or revise any of our forward-looking statements whether as a result of new information, future events, or otherwise.

MATERIALITY STATEMENT Throughout this report, we report on issues material to our stakeholders in this context. It should not be confused with materiality for financial or regulatory purposes. Issues deemed material for the purposes of this report may not be considered material for SEC reporting purposes.



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