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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K

(Mark One)

☑ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended August 31, 2023.

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to .

ACUITY BRANDS, INC.

(Exact name of registrant as specified in its charter)

Delaware	**001-16583**	**58-2632672**
(State or other jurisdiction of incorporation or organization)	*(Commission File Number)*	*(I.R.S. Employer Identification Number)*

1170 Peachtree Street, N.E., Suite 1200, Atlanta, Georgia 30309
(Address of principal executive offices)

(404) 853-1400
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading symbol**	**Name of each exchange on which registered**
Common stock, $0.01 par value per share	AYI	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by checkmark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☑ No ☐

Indicate by checkmark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☑

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☑	Accelerated Filer	☐	Non-accelerated Filer	☐
Smaller Reporting Company	☐	Emerging Growth Company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☑

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☑

Based on the closing price of the Registrant's common stock of $193.96 as quoted on the New York Stock Exchange on February 28, 2023, the aggregate market value of the voting stock held by non-affiliates of the registrant was $4.1 billion.

The number of shares outstanding of the registrant's common stock, $0.01 par value, was 30,947,789 shares as of October 20, 2023.

DOCUMENTS INCORPORATED BY REFERENCE

Location in Form 10-K	**Incorporated Document**
Part II, Item 5; Part III, Items 10, 11, 12, 13, and 14	Proxy Statement for 2023 Annual Meeting of Stockholders

ACUITY BRANDS, INC.

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PART I

Item 1. *Business.*

Overview

Acuity Brands, Inc. (referred to herein as “we,” “our,” “us,” the “Company,” or similar references) is a market-leading industrial technology company. We use technology to solve problems in spaces and light. Through our two business segments, Acuity Brands Lighting and Lighting Controls (“ABL”) and the Intelligent Spaces Group (“ISG”), we design, manufacture, and bring to market products and services that make a valuable difference in people's lives. We achieve growth through the development of innovative new products and services, including lighting, lighting controls, building management solutions, and location-aware applications.

ABL Segment

Our ABL strategy is to increase product vitality, improve service levels, use technology to improve and differentiate both our products and our services, and drive productivity. ABL's portfolio of lighting solutions includes commercial, architectural, and specialty lighting in addition to lighting controls and components that can be combined to create integrated lighting controls systems. We offer devices such as luminaires that predominantly utilize light emitting diode (“LED”) technology designed to optimize energy efficiency and comfort for various indoor and outdoor applications. ABL's portfolio of products includes but is not limited to the following brands: A-Light™, Aculux™, American Electric Lighting®, Cyclone™, Dark to Light®, eldoLED®, Eureka®, Gotham®, Healthcare Lighting®, Holophane®, Hydrel®, Indy™, IOTA®, Juno®, Lithonia Lighting®, Luminaire LED™, Luminis®, Mark Architectural Lighting™, nLight®, OPTOTRONIC®, Peerless®, RELOC® Wiring Solutions, and Sensor Switch™.

Principal customers of ABL include electrical distributors, retail home improvement centers, electric utilities, national accounts, original equipment manufacturer (“OEM”) customers, digital retailers, lighting showrooms, and energy service companies. Our customers are located in North America and select international markets that serve new construction, renovation and retrofit, and maintenance and repair applications. ABL's lighting and lighting controls solutions are sold primarily through a network of independent sales agencies that cover specific geographic areas and market channels, by internal sales representatives, through consumer retail channels, directly to large corporate accounts, and directly to OEM customers. Products are delivered directly from our manufacturing facilities or through a network of distribution centers, regional warehouses, and commercial warehouses using both common carriers and an internally-managed truck fleet.

We market our product portfolio and service capabilities to customers and/or end users in multiple channels through a broad spectrum of marketing and promotional methods, including direct customer contact, trade shows, on-site training, print and digital advertising in industry publications, product brochures, and other literature, as well as through digital marketing and social media. We operate training and education facilities in several locations throughout North America and Europe designed to enhance the lighting knowledge of customers and industry professionals.

ISG Segment

Our ISG strategy is to make spaces smarter, safer, and greener by connecting the edge to the cloud. ISG offers building management solutions and building management software. Our building management solutions include products for controlling heating, ventilation, air conditioning (“HVAC”); lighting; shades; refrigeration; and building access that deliver end-to-end optimization of those building systems. Our intelligent building software enhances the occupant experience, improves building system management, and automates labor intensive tasks while delivering operational energy efficiency and cost reductions. Through a connected and converged building system architecture, our software delivers different applications, allows clients to upgrade over time with natural refresh cycles, and deploys new capabilities. Customers of ISG primarily include system integrators as well as retail stores, airports, and enterprise campuses throughout North America and select international locations. ISG products and solutions are marketed under multiple brand names, including but not limited to, Atrius®, Distech Controls®, and KE2 Therm Solutions®.

Manufacturing and Distribution

We operate eighteen manufacturing facilities, including six facilities in the United States, seven facilities in Mexico, two facilities in Europe, and three in Canada. We utilize a blend of internal and outsourced manufacturing processes and capabilities to fulfill a variety of customer needs. Our investment in our production facilities is focused primarily on improving capabilities, product quality, and manufacturing efficiency as well as environmental, health, and safety

compliance. We also utilize contract manufacturing from U.S., Asian, and European sources for certain products. The following table shows the percentage of finished goods manufactured and purchased in fiscal 2023 by significant geographic region.

	Manufactured	Purchased	Total
United States	15 %	7 %	22 %
Mexico	57 %	— %	57 %
Asia	— %	15 %	15 %
Others	6 %	— %	6 %
Total	78 %	22 %	100 %

We operate seven manufacturing facilities in Mexico, some of which are authorized to operate as Maquiladoras by the Ministry of Economy of Mexico. Maquiladora status allows us to import raw materials into Mexico duty-free, provided that such items, after processing, are exported from Mexico within a stipulated time frame. Maquiladora status, which is renewed periodically, is subject to various restrictions and requirements, including compliance with the terms of the Maquiladora program and other local regulations, which have become stricter in recent years.

During fiscal 2023, net sales initiated outside of the U.S. represented approximately 14% of total net sales. See the *Supplemental Disaggregated Information* footnote of the *Notes to Consolidated Financial Statements* for additional information regarding the geographic distribution of net sales, operating profit, and long-lived assets.

Research and Development

Research and development (“R&D”) is defined as the critical investigation aimed at discovery of new knowledge and the conversion of that knowledge into the design of a new product service or significant improvement to an existing product or service. We invest in product vitality, including enhancement of existing offerings, with a focus on improving the performance-to-cost ratio and energy efficiency. We also develop software applications and capabilities to enhance data analytics offerings for building performance, enterprise operations, and personal experiences. R&D expenses consist of compensation, payroll taxes, employee benefits, materials, supplies, and other administrative costs, but the amounts do not include all new product development costs. For fiscal 2023, 2022, and 2021, R&D expenses totaled $97.1 million, $95.1 million, and $88.3 million, respectively.

Industry Overview

Our addressable market includes non-portable luminaires as defined by the National Electrical Manufacturers Association; poles for outdoor lighting; emergency lighting fixtures and lighting equipment; lighting controls; HVAC controls; refrigeration; and building technology controls, software, and systems.

We operate in highly competitive industries that are affected by a number of general business and economic factors, such as, but not limited to, gross domestic product growth, employment levels, credit availability, interest rates and inflation, building costs, freight, construction-related labor availability, building occupancy rates, imports and trade, energy costs, freight costs, tariffs, commodity costs, and commodity availability. Our market is based on non-residential and residential construction, both new as well as renovation and retrofit activity, which may be impacted by these general economic factors. Precise segmentation of the market by new construction and renovation activity is not available, though internal estimates based on third-party data estimate the size of the markets to be about the same. Non-residential construction spending on commercial, institutional, industrial, and infrastructure projects has a material impact on the demand for our lighting and building solutions. Demand for our residential lighting products is highly dependent on economic drivers, such as consumer spending and discretionary income, along with housing construction and home improvement spending.

Our market is influenced by evolving technologies. This evolution includes: the development of new or improved lighting technologies, including solid-state lighting, electronic drivers, embedded lighting controls, and more effective optical designs and lamps; federal, state, and local requirements for updated energy codes; design strategies and technologies addressing sustainability and facilitating intelligent buildings; and incentives by federal, state, and local municipal authorities, as well as utility companies, for using more energy-efficient lighting and building technology solutions. We are a leading provider of integrated lighting and building technology solutions based on these technologies and utilize internally developed, licensed, or acquired intellectual property.

Competition

We experience competition based on numerous factors, including product vitality, service capabilities, price, brand name recognition, product quality, product and system design, energy efficiency, and customer relationships. The markets for lighting and building management solutions are competitive and continue to evolve through acquisition and consolidation activities. Existing and new entrants continue to develop capabilities and solutions that are both complementary as well as competitive to those of traditional industry participants. Additionally, the market for artificial intelligence and software solutions is active with a wide range of competitors, from existing large companies to startup organizations. Certain global and more diversified manufacturers may provide a broader product offering utilizing electrical, lighting, and building technology products and services as well as pricing benefits from the bundling of various offerings. In addition, there are competitors, including Asian importers, small startup companies, and global electronics, technology, and software companies, offering competing solutions, sometimes deploying different technologies.

Regulations

We are subject to various federal, state, and local laws and regulations that impose increasingly complex, stringent and costly compliance activities. These laws and regulations include but are not limited to, the Clean Air Act and the Toxic Substances Control Act; the Clean Water Act; the Safe Harbor data privacy program between the U.S. and European Union; the United States-Mexico-Canada-Free Trade Agreement ("USMCA"); regulations from the Occupational Safety and Health Administration agency; the European Union's General Data Protection Regulation; California's Consumer Privacy Act and Connected Device Privacy Act; the Civil Rights Act of 1964 and other federal and state labor and employment laws and regulations; the U.S. Foreign Corrupt Practices Act (the "FCPA"); and the U.K. Bribery Act.

On an ongoing basis, we allocate resources, including investments in capital and operating costs, to comply with laws and regulations. We do not currently believe that the costs of complying with government regulations have a material impact on our financial condition, results of operations, or cash flows. However, we may be affected by current or future standards, laws, or regulations, including those imposed in response to energy, substances in or components in or used in the manufacturing of our products, climate change, product functionality, geopolitics, corporate social responsibility, employee health and safety, privacy, or similar concerns. These standards, laws, and regulations may impact our costs of operation, the sourcing of raw materials, and the manufacture and distribution of our products and services. They may also place restrictions and other requirements or impediments on the products and solutions we can sell in certain geographical locations or may impact the willingness of certain investors to own our shares. See *Part I. Item 1a. Risk Factors* for additional information.

Raw Materials

Our production requires raw materials, including certain grades of steel and aluminum, electrical and electronic components, plastics, and other petroleum-based materials and components. We purchase most raw materials and other components on the open market and rely on third parties to provide certain finished goods. While these items are generally available from multiple sources, the cost of products sold may be affected by changes in the market price of materials, freight, tariffs, and duties on certain materials, particularly imports from Asia, as well as disruptions in availability of raw materials, components, and sourced finished goods.

We do not currently engage in significant commodity hedging transactions for raw materials, though we have and will continue to commit to purchase certain materials generally for a period of up to 12 months. We monitor and investigate alternative suppliers and materials based on numerous attributes including, but not limited to, quality, service, and price. We currently source raw materials and components from a number of suppliers, but our ongoing efforts to improve the cost effectiveness, quality, and availability of our products and services may result in a reduction in the number of our suppliers.

Intellectual Property

We own or have licenses to use various domestic and foreign patents, trademarks, and other intellectual property related to our products, processes, and businesses. These intellectual property rights are important factors for our businesses. We rely on copyright, patent, trade secret, and trademark laws as well as agreements, restrictive covenants, and internal processes and controls to protect these proprietary rights. Despite these protections, unauthorized parties may attempt to infringe on our intellectual property. As of August 31, 2023, we had approximately 1,600 total patent assets including issued United States and foreign patents as well as pending United States and foreign patent applications. While patents and patent applications in the aggregate are important to our competitive position, no single patent or patent application is individually material to us.

Seasonality and Cyclicality

Our business exhibits some seasonality, with net sales being affected by weather and seasonal demand on construction and installation programs, particularly during the winter months, as well as the annual budget cycles of major customers. Historically, with certain exceptions, we have experienced our highest sales in the last two quarters of each fiscal year due to these factors.

Our lighting and building technology solutions are sold to customers in both the new construction as well as renovation and retrofit markets for residential and non-residential applications. The construction market is cyclical in nature and subject to changes in general economic conditions and fiscal policies. Sales volume has a major impact on our profitability. Economic downturns and the potential decline in key construction markets may have a material adverse effect on our net sales, operating income, financial position, and cash flows.

Human Capital

We employed approximately 12,200 associates at August 31, 2023 of which approximately 3,600 were employed in the United States and approximately 7,700 were employed in Mexico. Our remaining associates were employed in other international locations including Europe, Canada, and the Asia/Pacific region. Union recognition and collective bargaining arrangements in place or in process cover approximately 1,300 and 6,500 associates in the United States and Mexico, respectively. Arrangements related to approximately 400 associates in the United States will expire within the next fiscal year. Arrangements for approximately 6,500 associates in Mexico will expire within the next fiscal year, primarily due to annual negotiations of union contracts. We believe that we have strong relationships with both our unionized and non-unionized associates.

Growth and Development

A key pillar to attract, develop, and retain top talent is our focus on the growth and development of our associates. In fiscal 2023, we remained focused on development through development plans for associates, training opportunities, and other activities. Our performance management and other processes are intended to align associate aspirations, interests, performance, and experiences with the talent needs that enable the business. Managers and associates conduct periodic check-in discussions to encourage continuous performance feedback and improvement. These discussions also act to hold leaders accountable for creating an associate development culture.

Investing in the development of our associates is part of our operating system and correlates to our preparedness to meet current and future strategic priorities of the business. In fiscal 2023, we continued a management effectiveness series focused on coaching to performance, which we offered through in-person events. We also provide a digital platform with learning content and resources to help associates expand their knowledge, skills, and abilities through self-directed learning initiatives. We provide self-learning resources to help associates expand their lighting, controls, and building management technical knowledge through Acuity Academy and other resources.

Compensation and Benefits

We review our compensation and benefit plans annually to ensure that we are providing competitive, contemporary, and inclusive programs so we can attract and retain the best people and support the health and well-being of our associates and their families. Based on this review, we offer a competitive total rewards package to our associates that includes base compensation, bonuses, profit-sharing plans, stock grants, health benefits, and/or retirement benefits commensurate with an employee's position, skill set, and experience.

Diversity, Equity, and Inclusion

We believe that diversity, equity, and inclusion are important factors in our ongoing success. Our goal is to ensure that all associates feel valued, respected, and accepted for their contributions regardless of their race, sex, religion, ethnicity, age, gender identity, disabilities, national origin, sexual orientation, or other unique characteristics. To promote diversity in the workplace, we sponsor a diversity, equity, and inclusion council that is responsible for setting our diversity strategy and initiatives, many resulting from associate feedback. Our diversity, equity, and inclusion council consists of members of management as well as key human resource process leaders and leaders from our various employee resource groups. We currently have five employee resource groups: Mind Matters; Minorities Amplifying Growth, Inclusion, and Community (“MAGIC”); People Respecting Identity, Diversity, and Equity (“PRIDE”); the Women’s Network; and the Veterans Network. These groups are designed to embrace, celebrate, and recognize the power of diversity.

Health and Safety

We strive to ensure our associates have a safe and collaborative work environment. Our management practices promote Environmental, Health & Safety ("EHS") excellence. To achieve this standard, we have instituted an EHS Management System based on the goals and guidelines of the International Standards of Operation for Environmental Management, International Standards for Occupational Health & Safety Management, and our own guiding principles. These guidelines include identifying and controlling hazardous exposures for the prevention of injuries, preventing pollution, and complying with all relevant legal and other requirements. We review each facility's qualitative and quantitative results, with an emphasis on leading indicators that help avoid violations, accidents, and injuries. A variety of different metrics are averaged to determine a facility's performance, which is used to find continuous improvement opportunities.

Environmental Sustainability

We save energy and help reduce carbon emissions through our lighting, lighting controls, and building management solutions by replacing older technologies, and we drive innovation and performance across our business to minimize our impact on the environment. We also seek to use raw materials more efficiently and to operate our own facilities in a more intelligent, environmentally-friendly manner. We have extended the capabilities of our energy data management software to help enable users to track and report their full carbon footprint. We regularly communicate progress on our environmental commitments as part of our EarthLIGHT sustainability program.

Information Concerning Acuity Brands

Acuity Brands, Inc. was incorporated in 2001 under the laws of the State of Delaware. We make our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K (and all amendments to these reports) and proxy statements, together with all reports filed pursuant to Section 16 of the Securities Exchange Act of 1934 by our officers, directors, and beneficial owners of 10% or more of our common stock, available free of charge through the "SEC Filings" link under the "Financials" heading within the "For Investors" section on our website, located at *www.acuitybrands.com*, as soon as reasonably practicable after they are filed with or furnished to the Securities and Exchange Commission. Information included on our website is not incorporated by reference into this Annual Report on Form 10-K. Our reports are also available on the Securities and Exchange Commission's website at *www.sec.gov*.

Additionally, we have adopted a written Code of Ethics and Business Conduct that applies to all of our directors, officers, and employees, including our principal executive officer and senior financial officers. The Code of Ethics and Business Conduct as well as our Corporate Governance Guidelines are available free of charge through the "Committee Charters and Governance Documents" link under the "Governance" heading within the "For Investors" section on our website. Any amendments to, or waivers of, the Code of Ethics and Business Conduct for our principal executive officer and senior financial officers will be disclosed on our website promptly following the date of such amendment or waiver. Additionally, the charters for our Audit Committee, Compensation and Management Development Committee, and Governance Committee are available free of charge through the "Committee Charters and Governance Documents" link under the "Governance" heading within the "For Investors" section on our website. The Code of Ethics and Business Conduct, the Corporate Governance Guidelines, and the committee charters are available in print to any of our stockholders that request such document by contacting our Investor Relations department.

Item 1a. ***Risk Factors.***

This filing contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. A variety of risks and uncertainties could cause our actual results to differ materially from the anticipated results or other expectations expressed in our forward-looking statements. See *Cautionary Statement Regarding Forward-Looking Information* included in *Management's Discussion and Analysis of Financial Condition and Results of Operations*. These risks could adversely impact our financial position, results of operations, cash flows, and financial expectations and could cause the market price of our securities to decrease. Such risks include the following, without limitation.

Risks Related to Our Strategy

Our business and results have been and may be adversely affected by fluctuations in the cost or availability of raw materials, components, purchased finished goods, or services.

We utilize a variety of raw materials and components in our production process including steel, aluminum, lamps, certain rare earth materials, microchips, light emitting diodes (“LED”), LED drivers, ballasts, wire, electronic components, power supplies, petroleum-based byproducts, natural gas, and copper. We also source certain finished goods externally. During early fiscal 2023, supply chain disruptions for certain components, including, notably, microchips and electronics, have resulted in higher prices for significant commodities, including oil and steel, as well as increased warehousing, freight, and container costs, which have negatively impacted our business. Although these disruptions have subsided from their peaks, future disruptions in the supply chain and shortages could affect our ability to procure components for our products on a timely basis, or at all, or could require us to commit to increased purchases and provide longer lead times to secure critical components by entering into longer term guaranteed supply agreements. Alternatively, supply chain disruptions and shortages could require us to rely on relatively high-cost spot market purchases for certain materials or products.

Future increases in our costs could negatively impact our profitability as there can be no assurance that future price increases will be successfully passed through to customers. Disruptions in the supply chain could also negatively impact us. We generally source our goods from a number of suppliers. However, there are a limited number of suppliers for certain components and certain purchased finished goods, which on a limited basis, results in sole-source supplier situations.

Our competitors supply certain of those items, and those competitors may, for various strategic reasons, choose to cease selling to us. In addition, our ongoing efforts to improve the effectiveness of our supply chain could result in a reduction in the number of our suppliers, and in turn, increased risk associated with reliance on a single or a limited number of suppliers. Furthermore, volatility in certain commodities, such as oil, impacts all suppliers and, therefore, may result in additional price increases from time to time regardless of the number and availability of suppliers. Profitability and volume could be negatively impacted by limitations inherent within the supply chain of certain of these component parts, including competitive, governmental, and legal limitations, natural disasters, and other events that could impact both supply and price. Additionally, we are dependent on certain service providers for key operational functions. While there are a number of suppliers of these services, the cost to change service providers and set up new processes could be significant.

In addition, the labor market for skilled manufacturing remains tight, and our labor costs have increased as a result, particularly in the U.S. and Mexico.

Our results may be adversely affected by market and competitive pricing.

Aggressive pricing actions by competitors may affect our ability to manage the price/cost relationship to achieve desired revenue growth and profitability levels. Potential decreased demand for our products resulting from factors including uncertainty in the global economy, the current inflationary environment, rising interest rates, and a potential global recession may influence competitor pricing. Additionally, dynamic pricing models may not cover our rising costs. Even if we were able to increase prices to cover our costs, competitive pricing pressures may not allow us to pass on any more than the cost increases. Alternatively, if costs were to decline, the marketplace may not allow us to hold prices at their current levels.

Innovations of new products and services may not yield desired returns.

Continual introductions of new products and solutions, services, and technologies, enhancement of existing products and services, and effective servicing of customers are key to our competitive strategy. The success of new product and solution introductions depends on a number of factors, including, but not limited to, timely and successful product development, product quality, market acceptance, our ability to manage the risks associated with product life cycles, such as additional inventory obsolescence risk as product life cycles begin to shorten, new products and production capabilities, effective management of purchase commitments and inventory levels to support anticipated product manufacturing and demand, availability of products in appropriate quantities and costs to meet anticipated demand, and risk that new products may have quality or other defects in the early stages of introduction. Accordingly, we cannot fully predict the ultimate effect of new product introductions on our business. Additionally, new products and solutions may not achieve the same profit margins as expected or as compared to our historic products and solutions. Furthermore, other market participants, such as well-established competitors, could develop alternative platforms for monetizing products, solutions, and services that result in a paradigm shift in our industry, particularly with respect to new and developing technologies.

We may not be able to identify, finance, and complete suitable acquisitions, alliances, or investments, and we may pursue future growth through acquisitions, alliances, or investments, which may not yield anticipated benefits.

We have strengthened our business through acquisitions, alliances, and investments and may continue to do so as opportunities arise in the future. Such investments have been and may be in startup or development-stage entities. We will benefit from such activity only to the extent that we can effectively identify suitable acquisition and alliance candidates and leverage and integrate the assets or capabilities of the acquired businesses and alliances, including, but not limited to, personnel, technology, and operating processes. It may be difficult for us to integrate acquired businesses efficiently into our business operations. Any acquisitions, alliances, or investments may not be successful or realize the intended benefits. Moreover, unanticipated events, negative revisions to valuation assumptions and estimates, diversion of resources and management's attention from other business concerns, and difficulties in attaining synergies, among other factors, could adversely affect our ability to recover initial and subsequent investments, particularly those related to acquired goodwill and intangible assets or non-controlling interests. In addition, such investment transactions may limit our ability to invest in other activities, which could be more profitable or advantageous.

We may experience difficulties in streamlining activities, which could impact shipments to customers, product quality, and the realization of expected savings from streamlining actions.

We expect to benefit from potential programs to streamline operations, including the consolidation of certain facilities and the reduction of overhead costs. Such benefits will only be realized to the extent that we can effectively leverage assets, personnel, and operating processes in the transition of production between manufacturing facilities. Uncertainty is inherent within the facility consolidation process, and unforeseen circumstances could offset the anticipated benefits, disrupt service to customers, and impact product quality.

General business, political, and economic conditions, including the strength of the construction and renovation market, political events, or other factors may affect demand for our products and services.

We compete based on numerous factors, including product vitality and service levels, as well as features and benefits, brand name recognition, product quality, product and system design, energy efficiency, customer relationships, service capabilities, and price. In addition, we operate in a highly competitive environment that is influenced by a number of general business and economic factors, such as economic vitality, employment levels, credit availability, interest rates, trends in vacancy rates and rent values, energy costs, and commodity costs. Sales of lighting, lighting controls, and building technology solutions depend significantly on the level of activity in new construction and renovation/retrofits. Declines in general economic activity, appropriations, and regulations, including tax and trade policy and other political uncertainties, may negatively impact new construction and renovation projects, which in turn may impact demand for our product and service offerings.

Decreased construction and renovation spending and consumer demand for our products and services, along with rising commodity costs may materially affect our future access to our sources of liquidity, particularly our cash flows from operations, financial condition, capitalization, and capital investments. Additionally, current uncertain economic conditions, including economic slowdowns, supply chain disruptions, and a potential global recession, could adversely affect our ability to access the capital and other financial markets, and may require us to consider alternative sources of funding for some of our operations and for working capital, which may increase our cost of, as well as adversely impact our access to, capital. These uncertain economic conditions may also result in the inability

of our customers and other counter-parties to make payments to us, on a timely basis or at all.

Risks Related to Our Operations

Technological developments and increased competition could affect our operating profit margins and sales volume.

We compete in an industry and markets where technology and innovation play major roles in the competitive landscape. We are highly engaged in the investigation, development, and implementation of new technologies and services. Securing employee talent, key partnerships, and alliances, including having access to technologies, services, and solutions developed by others, as well as obtaining appropriate patents and the right to utilize patents of other parties all play a significant role in protecting our freedom to operate. Additionally, the continual development of new technologies by existing and new source suppliers — including non-traditional competitors with significant resources — looking for either direct market access or partnerships with competing large manufacturers, coupled with significant associated exclusivity and/or patent activity, could adversely affect our ability to sustain operating profit margins and desirable levels of sales volume.

In addition, there are new competitors, including small startup companies and global electronics, technology, and software companies, offering competing solutions, sometimes deploying different technologies. These competitors may vertically integrate and begin offering total solution packages that directly compete with our offerings. Certain global and more diversified electrical manufacturers as well as certain global technology and building solution providers may be able to obtain a competitive advantage, either through internal development or acquisitions, over us by offering broader and more integrated solutions utilizing electrical, lighting, controls, building automation solutions, and data analytics, and small startup companies may offer more localized product sales and support services within individual regions.

We may be unable to sustain significant customer and/or channel partner relationships.

Relationships with customers are directly impacted by our ability to deliver quality products and services. Although no individual customer exceeded 10% of net sales during fiscal 2023, the loss of or a substantial decrease in the volume of purchases by certain larger customers could harm our business in a meaningful manner. We have relationships with channel partners such as electrical distributors, home improvement retailers, independent sales agencies, system integrators, and value-added resellers. While we maintain positive, and in many cases long-term, relationships with these channel partners, the sudden or unplanned loss of a number of these channel partners or a substantial decrease in the volume of purchases from a major channel partner or a group of channel partners could adversely affect our business.

We could be adversely affected by external disruptions to our operations.

The breakdown of equipment or other events, including, but not limited to, labor disputes, strikes, workplace violence, public health crises, pandemics and epidemics (such as the recent COVID-19, or similar or related, pandemics or endemics), climate change, brown outs and other power outages, earthquakes, fires, explosions, terrorism, adverse weather conditions, water scarcity, cyber-attacks, civil disruptions, or catastrophic events such as war or natural disasters, leading to production interruptions in our or one or more of our suppliers' facilities could adversely affect us. Approximately 57% of our finished products are manufactured in Mexico, a country that periodically experiences heightened civil unrest or may experience trade disputes with the U.S., both of which could cause a disruption of the supply of products to or from these facilities. Further, because many of our customers are to varying degrees dependent on planned deliveries from our facilities, those customers that have to reschedule their own production or delay opening a facility due to our missed deliveries as a result of these disruptions could pursue financial claims against us. We may incur costs to correct any of these problems in addition to facing claims from customers. Further, our reputation among actual and potential customers may be harmed and result in a loss of business. Further, these types of events may negatively impact residential, commercial, and industrial spending, including construction and renovation spending as well as consumer spending on our products, in impacted regions or, depending on the severity, globally. As a result, any of such events could adversely impact us. While we have developed business continuity plans, including alternative capacity, to support responses to such events or disruptions and maintain insurance policies covering, among other things, physical damage and business interruptions, these policies may not cover all losses. We could incur uninsured losses and liabilities arising from such events, including damage to our reputation, loss of customers, and substantial losses in operational capacity.

Current global conflicts, such as the those between Russia and Ukraine as well as within the Middle East, have created substantial uncertainty in the global economy, including sanctions and penalties imposed on certain

countries from several governments. While we do not have operations in these locations and do not have significant direct exposure to customers and vendors in those countries, we are unable to predict the impact that these actions will have on the global economy or on our financial condition, results of operations, and cash flows as of the date of these financial statements.

Company operating systems, information systems, or devices have experienced, and may experience in the future, a failure, a compromise of security, or a violation of data privacy laws or regulations, which could adversely impact our operations as well as the effectiveness of internal controls over operations and financial reporting.

We are highly dependent on various software and automated systems to record and process operational and financial transactions. We have experienced, and could experience in the future, a failure of one or more of these software and automated systems or could fail to complete all necessary data reconciliation or other conversion controls when implementing a new software system.

We have also experienced compromises of our security, and could experience in the future, a compromise of our security due to many reasons, including technical system flaws, clerical, data input or record-keeping errors, or tampering or manipulation of our systems by employees or unauthorized third parties, including viruses, malware, or phishing. Information security risks also exist with respect to the use of portable electronic devices, such as laptops and smartphones, which are particularly vulnerable to loss and theft. We may also be subject to disruptions of any of these systems arising from events that are wholly or partially beyond our control (for example, natural disasters, acts of terrorism, cyber-attacks, including but not limited to hacking, malware, ransomware attacks, denial-of-service attacks, social engineering, exploitation of internet-connected devises, and other attacks, epidemics, computer viruses, and electrical/telecommunications outages). While prior compromises of our security have not had, in the aggregate, a material impact on the Company's operations and financial condition, the Company expects events of this nature to continue as cyber-attacks are becoming more sophisticated and frequent, and the techniques used in such attacks change rapidly. The Company monitors its data, information technology and personnel usage of Company systems to reduce these risks and continues to do so on an ongoing basis for any current or potential threats.

If any of our hardware, software, or automated systems are compromised, fail, or have other significant shortcomings, it could disrupt our business, require us to incur substantial additional expenses, or result in potential liability or reputational damage. There can be no assurance that our efforts to protect our data and information technology will prevent such compromises of security.

We also provide and maintain technology to enable lighting controls and building technology systems. In addition to the risks noted above, there are other risks associated with these customer offerings. For example, a customer may depend on integral information from, or functionality of, our technology to support that customer's other systems, such that a failure of our technology could impact those systems, including by loss or destruction of data. Likewise, a customer's failure to properly configure, update, segregate, or upgrade its own network and integrations with our technology are outside of our control and could result in a failure in functionality or security of our technology.

We and certain of our third-party vendors may receive and store personal information in connection with human resources operations, customer offerings, and other aspects of the business. A material network breach in the security of these systems could include the theft of intellectual property, trade secrets, the unauthorized release, gathering, monitoring, misuse, loss, change, or destruction of our or our customers', suppliers', or other third-party's confidential, proprietary and other information (including personal identifying information of individuals), or otherwise disrupt our or our clients' or other third parties' business operations. To the extent that any disruption or security breach results in a loss or damage to our data, or an inappropriate disclosure of confidential or customer or employee information, it could cause significant damage to our reputation, affect relationships with our customers, employees, and other counterparties, lead to claims against us, which may result in the payment of fines, penalties, and costs, and ultimately harm our business. In addition, we may be required to incur significant costs, or regulatory fines, penalties, or intervention, to protect against damage caused by these disruptions or security breaches in the future.

We are also subject to an increasing number of data privacy and security laws and regulations that impose requirements on us and our technology prior to certain use or transfer, storing, use, processing, disclosure, and protection of data and prior to sale or use of certain technologies. Failure to comply with such laws and regulations could result in the imposition of fines, penalties and other costs. The legal and regulatory data privacy framework is evolving and uncertain.

System failures, ineffective system implementation or disruptions, failure to comply with data privacy and security laws or regulations, or the compromise of security with respect to internal or external systems or portable electronic devices could damage our systems or infrastructure, subject us to liability claims, or regulatory fines, penalties, or intervention, harm our reputation, interrupt our operations, disrupt customer operations, and adversely affect our internal control over financial reporting, business, financial condition, results of operations, or cash flows.

Changes in our relationship with employees, changes in U.S. or international employment regulations, an inability to attract and retain talented employees, or a loss of key employees could adversely impact the effectiveness of our operations.

We employed approximately 12,200 people as of August 31, 2023, approximately 8,600 of whom are employed in international locations. As such, we have significant exposure to changes in domestic and foreign laws governing relationships with employees, including wage and hour laws and regulations, fair labor standards, minimum wage requirements, overtime pay, unemployment tax rates, workers' compensation rates, citizenship requirements, and payroll taxes, which likely would have a direct impact on our operating costs. Union recognition and collective bargaining agreements are in place or in process covering approximately 65% of our workforce. Collective bargaining agreements representing approximately 57% of our workforce will expire within one year, primarily due to annual negotiations with unions in Mexico. While we believe that we have good relationships with both our unionized and non-unionized employees, we may become vulnerable to a strike, work stoppage, or other labor action by these employees.

Our success is also dependent upon our ability to attract, retain, and motivate a qualified and diverse workforce, and there can be no assurance that we will be able to do so, particularly during times of increased labor costs or labor shortages. We rely upon the knowledge and experience of employees involved in functions throughout the organization that require technical expertise and knowledge of the industry. We have experienced intense competition for qualified and capable personnel in key markets and with key skills, and we cannot provide assurance that we will be able to retain our key employees or that we will be successful in attracting, assimilating, and retaining personnel in the future. In addition, our growth may be constrained by resource limitations as competitors and customers compete for increasingly scarce human capital resources. The demand for skilled workers is currently high. We face an increasingly competitive labor market due to sustained labor shortages in part and are subject to inflationary pressures on employee wages and salaries, which may increase labor costs. Our competitors may be able to offer a work environment with higher compensation or more opportunities than we can. An inability to attract and retain a sufficient number of employees could adversely impact our ability to execute key operational functions.

There are inherent risks in our solutions and services businesses.

Risks inherent in the sale of solutions and services include assuming greater responsibility for successfully delivering projects that meet a particular customer specification, including: defining and controlling contract scope and timing, efficiently executing projects, and managing the performance and quality of subcontractors and suppliers and our own systems. As we expand our service and solutions offerings, reliance on the technical infrastructure to provide services to customers will increase. If we fail to appropriately manage and secure the technical infrastructure required, customers could experience service outages or delays in implementation of services. If we are unable to manage and mitigate these risks, we could incur liabilities and other losses.

We may be subject to risk in connection with third-party relationships necessary to operate our business.

We utilize strategic partners and third-party relationships in order to operate and grow our business. For instance, we utilize third parties to contract manufacturing of certain products, subcontract installation and commissioning, as well as perform certain selling, distribution, and administrative functions. We cannot control the actions or performance, including product quality, of these third parties and therefore, cannot be certain that we or our end-users will be satisfied. Any future actions of or any failure to act by any third party on which our business relies could cause us to incur losses or interruptions in our operations. In addition, we act as a general contractor in certain relationships with third-parties, and as such are subject to risks applicable to general contractors.

We are subject to risks related to operations and suppliers outside the United States.

We have substantial activities outside of the United States, including sourcing of products, materials, components, and contract manufactured finished goods, as well as manufacturing and distribution activities. Our operations, as well as those of key vendors, are therefore subject to regulatory, economic, political, military, and other events in countries where these operations are located. In addition to the risks that are common to both our domestic and

international operations, we face risks specifically related to our foreign operations and sourcing activities, including but not limited to: foreign currency fluctuations; unstable political, social, regulatory, economic, financial, and market conditions; laws that prohibit shipments to certain countries or restricted parties and that prohibit improper payments to government officials such as the Foreign Corrupt Practices Act and the U.K. Bribery Act; potential for privatization and other confiscatory actions; trade restrictions and disruption; shipping delays or disruptions; criminal activities; increases in tariffs and taxes; corruption; terrorist action; nationalization and expropriation; limitations on repatriation of earnings or other capital requirements; and other changes in regulation in international jurisdictions that could result in substantial additional legal or compliance obligations for us.

We source certain components and approximately 15% of our finished goods from Asia, a significant portion of which are subject to import tariffs. These tariffs could increase in future periods resulting in higher costs and/or lower demand. We could be adversely affected to the extent we are unable to mitigate the impacts of the tariffs.

We operate seven manufacturing facilities in Mexico, some of which are authorized to operate as Maquiladoras by the Ministry of Economy of Mexico. Maquiladora status allows us to import raw materials into Mexico duty-free, provided that such items, after processing, are exported from Mexico within a stipulated time frame. Maquiladora status, which is renewed periodically, is subject to various restrictions and requirements, including compliance with the terms of the Maquiladora program and other local regulations, which have become stricter in recent years. In addition, if our Mexican facilities cease to qualify for Maquiladora status or if the Mexican government adopts additional adverse changes to the program, including nationalization, our manufacturing costs in Mexico would increase.

We are also subject to certain other laws and regulations affecting our international operations, including laws and regulations such as the United States, Mexico, Canada Free Trade Agreement (“USMCA”) which, among other things, provide certain beneficial duties and tariffs for qualifying imports and exports, subject to compliance with the applicable classification and other requirements. A majority of our sales are subject to USMCA. In addition, the US government has initiated or is considering imposing tariffs on certain foreign goods, including steel and aluminum. Related to this action, certain foreign governments, including China, have instituted or are considering imposing tariffs on certain U.S. goods. It remains unclear what the U.S. Administration or foreign governments will or will not do with respect to tariffs, the USMCA, or other international trade agreements and policies. A trade war or other governmental action related to tariffs or international trade agreements or policies has the potential to adversely impact demand for our products, costs, customers, suppliers, and/or the US economy or certain sectors thereof and, thus, to adversely impact our business.

The evolution of our products, complexity of our supply chain, and reliance on third-party vendors such as customs brokers and freight vendors, which may not have effective processes and controls to enable us to fully and accurately comply with such requirements, could subject us to liabilities for past, present, or future periods. Such liabilities could adversely impact our business.

We continue to monitor conditions affecting our international locations, including potential changes in income from a strengthening or weakening in foreign exchange rates in relation to the U.S. dollar. Some of these risks, including but not limited to foreign exchange rates, violations of laws, and higher costs associated with changes in regulation, could adversely impact our business.

Our business could be negatively impacted by social impact and sustainability matters.

There has been, and may continue to be, an increasing focus from U.S. and foreign government agencies, certain investors, customers, consumers, employees, and other stakeholders concerning environmental, social and governance (“ESG”) matters. Some investors may use ESG criteria to guide their investment strategies and, in some cases, may choose not to invest in us if they believe our policies relating to corporate responsibilities do not align with their ESG criteria. In addition, different stakeholder groups have divergent views on ESG matters, which increases the risk that any action or lack thereof with respect to ESG matters will be perceived negatively by at least some stakeholders and could adversely affect our reputation, business, financial performance, and growth.

We may, from time to time, communicate certain initiatives, targets, and goals, regarding environmental matters, diversity, responsible sourcing and social investments and other ESG matters. These initiatives, targets, and goals could be difficult and expensive to implement, and we could be criticized for the accuracy, adequacy, or completeness of the disclosure thereof. Further, statements about our ESG initiatives, targets, and goals, and progress against those targets and goals, may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, as well as assumptions, estimates and climate scenarios that are subject to change in the future. In addition, we could be criticized or subject to litigation for the scope or nature of such initiatives, targets, or goals, or for any revisions to such targets or goals. If our ESG-related data, processes, and reporting are incomplete or inaccurate, or if we fail, or are perceived to fail, to achieve

progress with respect to our ESG targets or goals on a timely basis, or at all, our reputation, business, financial performance, and growth could be adversely affected.

We have begun to incorporate artificial intelligence capabilities in our product offerings, and challenges with properly managing the use of artificial intelligence and machine learning could result in reputational harm, competitive harm, and legal liability, and adversely affect our results of operations, financial condition, and/or cash flows.

We have begun incorporating artificial intelligence ("AI") capabilities into certain product offerings. These features may become important in our operations over time. Our competitors or other third parties may incorporate AI into their products more quickly or more successfully than us, which could impair our ability to compete effectively and adversely affect our results of operations. Additionally, if the content, analyses, or recommendations that AI applications assist in producing are or are alleged to be deficient, inaccurate, or biased, we could be subject to competitive risks, potential legal liability, and reputational harm, and our business, financial condition, and results of operations may be adversely affected. The use of AI capabilities may also result in cybersecurity incidents. Any such cybersecurity incidents related to our use of AI capabilities could adversely affect our business.

Risks Related to Legal and Regulatory Matters

Failure to comply with the broad range of standards, laws, and regulations in the jurisdictions in which we operate may result in exposure to substantial disruptions, costs, and liabilities.

We are subject to various foreign and domestic federal, state, and local laws and regulations that include but are not limited to, the Clean Air Act and the Toxic Substances Control Act; the Clean Water Act; the Safe Harbor data privacy program between the U.S. and European Union; the United States-Mexico-Canada-Free Trade Agreement ("USMCA"); regulations from the Occupational Safety and Health Administration agency; the European Union's General Data Protection Regulation; California's Consumer Privacy Act and Connected Device Privacy Act; the Civil Rights Act of 1964 and other federal and state labor and employment laws and regulations; the U.S. Foreign Corrupt Practices Act (the "FCPA"); and the U.K. Bribery Act. The laws and regulations impacting us impose increasingly complex, stringent, and costly compliance activities.

Concerns regarding climate change may also lead to significant legislative and regulatory responses, including efforts to limit greenhouse gas ("GHG") emissions. The United States Environmental Protection Agency ("EPA") has implemented regulations that require reporting of GHG emissions or that limit emissions of GHGs from certain mobile or stationary sources. In addition, the U.S. Congress and federal and state regulatory agencies have considered other legislation and regulatory proposals to reduce emissions of GHGs, and many states and other jurisdictions have already taken legal measures to reduce emissions of GHGs, primarily through the development of GHG inventories, GHG permitting, and/or regional GHG cap-and-trade programs. It is uncertain whether, when, and in what form a federal mandatory carbon dioxide emissions reduction program, or other state programs, may be adopted. Similarly, certain countries have adopted the Kyoto Protocol, and in February 2021, the U.S. rejoined the Paris Agreement.

In addition, permits and environmental controls are required for certain of our operations to limit air and water pollution, and these permits are subject to modification, renewal, and revocation by issuing authorities. Some environmental laws, such as Superfund, the Clean Water Act, and comparable laws in U.S. states and other jurisdictions worldwide, impose joint and several liability for the cost of environmental remediation, natural resource damages, third-party claims, and other expenses, without regard to the fault or the legality of the original conduct, on those persons who contributed to the release of a hazardous substance into the environment. Environmental laws and regulations have generally become stricter in recent years, and certain federal, state, and local governments domestically and internationally, have enacted, or are considering enacting, new laws and regulations, including those governing raw material composition, carbon dioxide and other air emissions, end-of-life product dispositions, energy efficiency, and certain additional disclosure obligations related to the above.

We may be affected by those or other future standards, laws, or regulations, including those imposed in response to energy, climate change, our carbon footprint, product functionality, geopolitical, corporate social responsibility, or similar concerns. As customers become increasingly concerned about the environmental impact of their purchases, if we fail to keep up with changing regulations or innovate or operate in ways that minimize the energy use of or other impacts of our products or operations, customers may choose more energy efficient or sustainable alternatives. These standards, laws, or regulations may also impact our costs of operation, the sourcing of raw materials, and the manufacture and distribution of our products and may place restrictions and other requirements or impediments on the products and solutions we can sell in certain geographical locations or on the willingness of certain investors to own our shares. In addition, we may be subject to consumer lawsuits or enforcement actions by

governmental authorities if our ESG claims relating to product marketing are inaccurate. At the same time, certain actions that we may take in our efforts to address ESG concerns may be challenged as being inconsistent or prohibited by various federal, state or local laws and regulations. It is uncertain what laws, rules or regulations may be enacted, or how courts may interpret them in the future, and therefore we cannot predict the potential impact such laws or regulations may have on our future financial condition, results of operations, and cash flows. The laws and regulations regarding ESG disclosures and requirements are also rapidly evolving and could have an adverse effect on our operations and the costs of compliance with, and the other burdens imposed by, these and other laws or regulatory actions may increase our operational costs.

It is uncertain what laws will be enacted, and therefore we cannot predict the potential impact of such laws on our future financial condition, results of operations, and cash flows. The laws and regulations regarding ESG disclosures and requirements are also rapidly evolving and could have an adverse effect on our operations and the costs of compliance with, and the other burdens imposed by, these and other laws or regulatory actions may increase our operational costs.

We may develop unexpected legal contingencies or matters that exceed insurance coverage.

We are subject to and in the future may be subject to various claims, including legal claims arising in the normal course of business. Such claims may include without limitation employment claims, product recall, personal injury, network security, data privacy, or property damage claims resulting from the use of our products, services, or solutions, as well as exposure to hazardous materials, contract disputes, or intellectual property disputes. We are insured up to specified limits for certain types of losses with a self-insurance retention per occurrence, including product or professional liability, and cyber liability, including network security and data privacy claims, and are fully self-insured for certain other types of losses, including environmental, product recall, warranties, commercial disputes, and patent infringement. We establish accruals for legal claims when the costs associated with the claims become probable and can be reasonably estimated. The actual costs of resolving legal claims may be substantially higher or lower than the level of insurance coverage we hold and/or the amounts accrued for such claims. In the event of unexpected future developments, it is possible that the ultimate resolutions of such matters could be unfavorable. Our insurance coverage is negotiated on an annual basis, and insurance policies in the future may have coverage exclusions that could cause claim-related costs to rise.

If our products are improperly designed, manufactured, packaged, or labeled, or are otherwise alleged to cause harm or injury, we may need to recall those items, may have increased warranty costs, and could be the target of product liability claims.

We may need to recall products if they are improperly designed, manufactured, packaged, or labeled, and we do not maintain insurance for such recall events. Many of our products and solutions have become more complex in recent years and include more sophisticated and sensitive electronic components. A problem or issue relating to any individual component could have the effect of creating a compounded problem for an integrated solution, which could result in significant costs and losses. We have increasingly manufactured certain of those components and products in our own facilities. We have previously initiated product recalls as a result of potentially faulty components, assembly, installation, design, and packaging of our products. Widespread product recalls could result in significant losses due to the costs of a recall, the destruction of product inventory, penalties, and lost sales due to the unavailability of a product for a period of time. In addition, products we developed that incorporate technologies, such as LED, generally provide for more extensive warranty protection, which may result in higher costs if warranty claims on these products are higher than historical amounts. We may also be liable if the use or failure of any of our products cause harm, whether from fire, shock, harmful materials or components, alleged adverse health impacts from exposure to light emitted by our products, or any other personal injury or property damage, and we could suffer losses from a significant product liability judgment against us in excess of our insurance limits. We may not be able to obtain indemnity or reimbursement from our suppliers or other third parties for the warranty costs or liabilities associated with our products, even if such costs or liabilities are covered under supplier warranty obligations. A significant product recall, warranty claim, or product liability case could also result in adverse publicity, damage to our reputation, and a loss of consumer confidence in our products.

We may not be able to adequately protect our intellectual property and could be the target of intellectual property claims.

We own certain patents, trademarks, copyrights, trade secrets, and other intellectual property. In addition, we continue to file patent applications, when appropriate. We cannot be certain that others have not and will not infringe on our intellectual property rights; however, we seek to establish and protect those rights, which could result in significant legal expenses and adversely affect our financial condition and results of operations.

Over the last several years, we and others in the industry have received an increased number of allegations of patent infringement from competitors and from non-practicing entity patent holders, often coupled with offers to license such patents for our use. Such offers typically relate to various technologies including electronics, power systems, controls, and software, as well as the use of visible light to communicate data, the use of certain wireless networking methods, and the design of specific products. We believe that we do not need or will be able to invalidate or access such patents through licensing, cross-licensing, or other mutually beneficial arrangements, although to the extent we are required but unable to enter into such arrangements on acceptable economic terms, it could adversely impact us.

We are exposed to certain regulatory, financial and other risks related to climate change and other sustainability matters.

The scientific consensus indicates that emissions of greenhouse gases ("GHG") continue to alter the composition of Earth's atmosphere in ways that are affecting, and are expected to continue to affect, the global climate. The potential impacts of climate change on our customers, product offerings, operations, facilities, and suppliers are accelerating and uncertain, as they will be particular to local and customer-specific circumstances.

Concerns regarding climate change may lead to significant legislative and regulatory responses, including efforts to limit GHG emissions. The EPA has implemented regulations that require reporting of GHG emissions or that limit emissions of GHGs from certain mobile or stationary sources. In addition, the U.S. Congress and federal and state regulatory agencies have considered other legislation and regulatory proposals to reduce emissions of GHGs, and many states have already taken legal measures to reduce emissions of GHGs, primarily through the development of GHG inventories, GHG permitting, and/or regional GHG cap-and-trade programs. It is uncertain whether, when, and in what form a federal mandatory carbon dioxide emissions reduction program, or other state programs, may be adopted. Similarly, certain countries have adopted the Kyoto Protocol, and in February 2021, the U.S. rejoined the Paris Accord. These and other existing or potential international initiatives and regulations could affect our international operations. As customers become increasingly concerned about the environmental impact of their purchases, if we fail to keep up with changing regulations or innovate or operate in ways that minimize the energy use of our products or operations, customers may choose more energy efficient or sustainable alternatives. These actions could also increase costs associated with our operations, including costs for raw materials and transportation. We may also be subject to consumer lawsuits or enforcement actions by governmental authorities if our ESG claims relating to product marketing are inaccurate. It is uncertain what laws will be enacted, and therefore we cannot predict the potential impact of such laws on our future financial condition, results of operations, and cash flows.

In addition, investors and stakeholders are increasingly focused on ESG matters, and as stakeholder ESG expectations and standards evolve, our failure to sufficiently respond to these evolving standards and expectations may cause us to suffer from reputational damage, and our business or financial condition could be adversely affected. The laws and regulations regarding ESG disclosures and requirements are also rapidly evolving and could have an adverse effect on our operations and the costs of compliance with, and the other burdens imposed by, these and other laws or regulatory actions may increase our operational costs.

Tax liabilities due in the jurisdictions in which we operate may exceed anticipated amounts.

Our operations are subject to income tax, sales tax, value-added tax ("VAT"), excise tax, property tax, and other taxes and assessments at federal, state, local, and international levels. Our consolidated tax obligation is driven largely by our corporate structure as well as domestic and international intercompany arrangements. We operate in several jurisdictions, including but not limited to, the United States, Mexico, Canada, and Europe. Certain jurisdictions may aggressively interpret their laws, regulations, and policies in an effort to raise additional tax revenue, and international tax authorities may seek to assert extraterritorial taxing rights on our transactions or operations.

We have previously been subject to domestic and international tax audits by taxing authorities of the jurisdictions which we operate, and we may be subject to additional such audits in the future. While our previous audits resulted in no significant findings, and we believe we continue to be in compliance with relevant tax laws, tax authorities may challenge or disagree with certain positions or methodologies in calculating our tax positions An unfavorable interpretation or outcome could increase our worldwide effective tax rate, result in additional tax obligations owed, impact the amount of recoverable VAT, and/or increase excise taxes owed, which could have an adverse impact on our financial position, results of operations, and/or cash flows.

Further, tax laws and regulations in domestic and international jurisdictions are often extremely complex and subject to varying interpretations and may require us to make judgments and estimates about our provisions, including with

respect to certain transactions where the ultimate tax determination is uncertain. Although we believe that our estimates are reasonable, the ultimate tax outcome may differ from the amounts recorded, which could have a material impact on our financial position, results of operations, and/or cash flows.

Additionally, our future income tax obligations could be adversely affected by changes in, or interpretations of, tax laws, regulations, policies, or decisions in the United States or in the other jurisdictions in which we operate.

Risks Related to Financial Matters

The market price and trading volume of our shares may be volatile.

The market price of our common shares could fluctuate significantly for many reasons, including reasons unrelated to our specific performance, such as reports by industry analysts, investor perceptions, or negative announcements by customers, competitors, or suppliers regarding their own performance, as well as general global economic, industry, and political conditions. Our performance could be different than analyst expectations or issued guidance, causing a decline in our stock price. To the extent that other large companies within our industry experience declines in share price, our share price may decline as well. In addition, we may discontinue or reduce dividend payments and may discontinue or suspend our share repurchase program based on several factors, including our cash balances and potential future capital requirements for strategic transactions, including acquisitions, results of operations, financial condition and other factors that our Board of Directors may deem relevant. Any modification or suspension of dividends and any suspension or termination of our share repurchase program could cause our stock price to decline.

When the market price of a company's shares drops significantly, shareholders could institute securities class action lawsuits against us or otherwise engage in activism, which could cause us to incur substantial costs and could divert the time and attention of our management and other resources.

Risks related to our defined benefit retirement plans may adversely impact results of operations and cash flows.

Significant changes in actual investment returns on defined benefit plan assets, discount rates, and other factors could adversely affect our comprehensive income and the amount of contributions we are required to make to the defined benefit plans in future periods. As our defined benefit plan assets and liabilities are marked-to-market on an annual basis, large non-cash gains or losses could be recorded in the fourth quarter of each fiscal year. In accordance with United States generally accepted accounting principles, the income or expense for the plans is calculated using actuarial valuations. These valuations reflect assumptions about financial markets and interest rates, which may change based on economic conditions. Funding requirements for the defined benefit plans are dependent upon, among other things, interest rates, underlying asset returns, and the impact of legislative or regulatory changes related to defined benefit funding obligations. Unfavorable changes in these factors could adversely affect our results.

Our business and operations are subject to interest rate risks, and changes in interest rates can reduce demand for our products and increase borrowing costs.

Rising interest rates could have a negative effect on overall economic activity, and could impair the ability of real estate developers, property owners, and contractors to obtain reasonable costs of capital on borrowed funds, resulting in depressed levels of construction and renovation projects and a resulting decrease in demand for our products and services. Rising interest rates could also impair our customers' ability to repay obligations to us. Additionally, rising interest rates may increase our cost of capital, which could have material adverse effects on our financial condition and cash flows.

The instability of certain financial institutions may have adverse impacts on certain of our vendors and customers and/or on our ability to access our cash deposits, which could negatively impact our cash flows, results of operations, and financial condition.

During fiscal 2023, there have been public reports of instability at certain financial institutions. Although we do not hold material deposits or investments at these financial institutions, and despite the steps taken to date by U.S. and foreign agencies and institutions to protect depositors, the follow-on effects of the events surrounding recent bank failures and pressure on other financial institutions are unknown, could include failures of other financial institutions to which we face direct or indirect exposure, and may lead to significant disruptions to the cash flows, operations and financial condition of our vendors, customers, and/or us. Additionally, tight credit conditions could impair the ability of real estate developers, property owners, and contractors to effectively access capital markets or obtain

reasonable costs of capital on borrowed funds, resulting in depressed levels of construction and renovation projects. The inability of these constituents to borrow money to fund construction and renovation projects may reduce the demand for the Company's products and services.

Item 1b. ***Unresolved Staff Comments.***

None.

Item 1c. ***Cybersecurity.***

Not applicable.

Item 2. ***Properties.***

Our general corporate offices are located in Atlanta, Georgia. Because of the diverse nature of operations and the large number of individual locations, it is neither practical nor meaningful to describe each of our operating facilities owned or leased. The following listing summarizes the significant facility categories by which reportable segment, Acuity Brands Lighting and Lighting Controls ("ABL") or the Intelligent Spaces Group ("ISG"), the facility primarily benefits as of August 31, 2023:

	ABL		ISG		Corporate	Total	
Nature of Facilities	Owned	Leased	Owned	Leased	Leased	Owned	Leased
Manufacturing facilities	10	5	2	1	—	12	6
Warehouses	—	1	—	—	—	—	1
Distribution centers	2	6	—	—	—	2	6
Offices	5	10	—	3	1	5	14
Total	17	22	2	4	1	19	27

The following table provides additional geographic information related to our manufacturing facilities as of August 31, 2023:

	United States	Mexico	Europe	Canada	Total
ABL:					
Owned	4	5	1	—	10
Leased	1	2	—	2	5
Total	5	7	1	2	15
ISG:					
Owned	—	—	1	1	2
Leased	1	—	—	—	1
Total	1	—	1	1	3

We believe that our properties are well maintained and in good operating condition and that our properties are suitable and adequate for our present needs. Initiatives related to enhancing global operations may result in the future consolidation of certain facilities.

Item 3. ***Legal Proceedings.***

See the *Commitments and Contingencies* footnote of the *Notes to Consolidated Financial Statements* included in this Annual Report on Form 10-K for information regarding our legal proceedings.

Item 4. ***Mine Safety Disclosures.***

Not applicable.

PART II

Item 5. ***Market for Registrant's Common Equity, Related Stockholder Matters, and Issuer Purchases of Equity Securities.***

Our common stock is listed on the New York Stock Exchange under the symbol "AYI." At October 20, 2023, there were 1,785 stockholders of record.

The timing, declaration, and payment of future dividends to holders of our common stock will depend upon many factors, including our cash balances and potential future capital requirements for strategic transactions, including acquisitions, results of operations, financial condition, and other factors that our Board of Directors may deem relevant.

The information required by this item with respect to equity compensation plans is included under the caption *Equity Compensation Plans* in our proxy statement for the annual meeting of stockholders to be held January 24, 2024, which we will file with the Securities and Exchange Commission pursuant to Regulation 14A. The proxy statement is incorporated herein by reference.

Issuer Purchases of Equity Securities

On March 31, 2022, the Board of Directors (the "Board") authorized the repurchase of up to five million shares of our common stock. Under the current share repurchase authorization, we may repurchase shares of our common stock from time to time at prevailing market prices, depending on market conditions, through open market or privately negotiated transactions. No date has been established for the completion of the share repurchase program, and we are not obligated to repurchase any shares. Subject to applicable corporate securities laws, repurchases may be made at such times and in such amounts as management deems appropriate. Repurchases under the program can be discontinued at any time management feels additional repurchases are not warranted. As of August 31, 2023, the maximum number of shares that may yet be repurchased under the share repurchase program authorized by the Board equaled 1.2 million shares. The following table summarizes share repurchase activity by month for the quarter ended August 31, 2023:

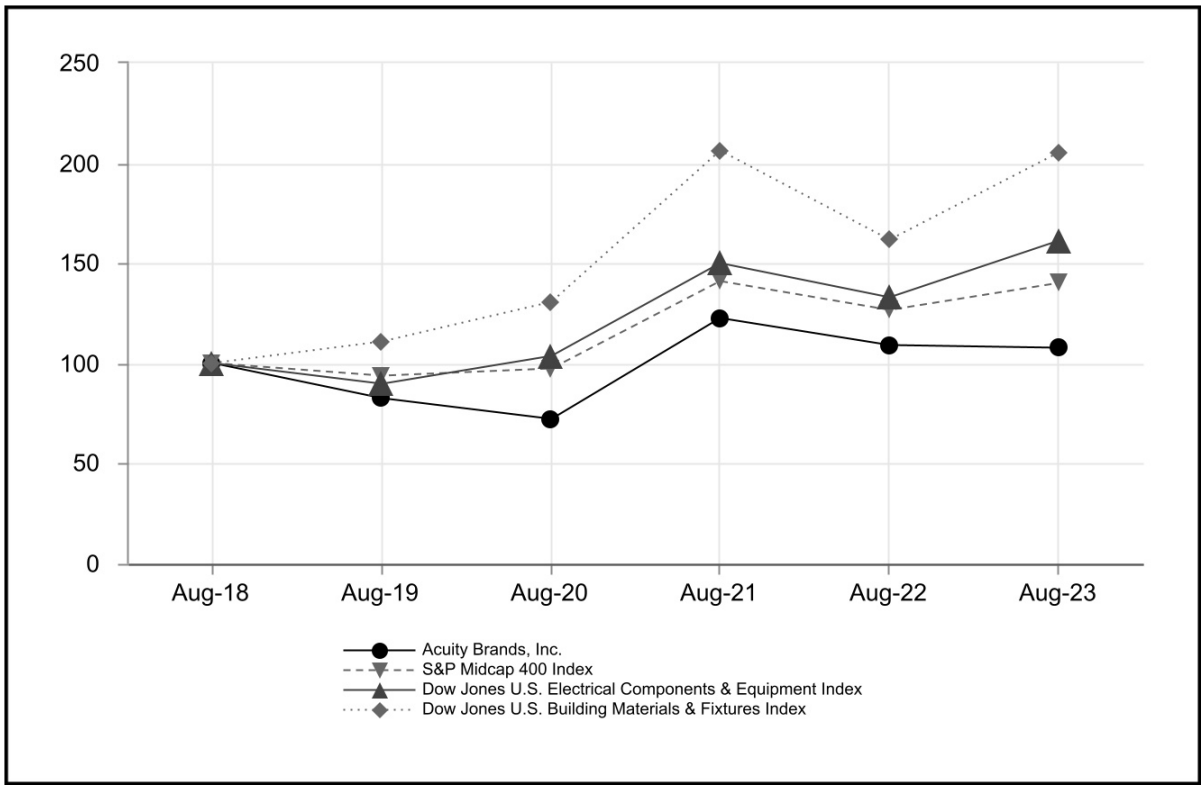
Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs
6/1/2023 through 6/30/2023	129,774	$ 163.44	129,774	1,406,752
7/1/2023 through 7/31/2023	75,027	$ 167.12	75,027	1,331,725
8/1/2023 through 8/31/2023	101,935	$ 164.33	101,935	1,229,790
Total	306,736	$ 164.64	306,736	1,229,790

Company Stock Performance

The following information in this Annual Report on Form 10-K is not deemed to be "soliciting material" or to be "filed" with the Securities and Exchange Commission or subject to Regulation 14A or 14C under the Exchange Act or to the liabilities of Section 18 of the Exchange Act, and it will not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent specifically incorporated by reference into such filing.

The following graph compares the cumulative total return to shareholders on our outstanding stock during the five years ended August 31, 2023, with the cumulative total returns of the Standard & Poor's ("S&P") Midcap 400 Index, the Dow Jones U.S. Electrical Components & Equipment Index, and the Dow Jones U.S. Building Materials & Fixtures Index. We are a component of both the S&P Midcap 400 Index and the Dow Jones U.S. Building Materials & Fixtures Index. The Dow Jones U.S. Electrical Components & Equipment Index is included in the following graph as the parent companies of several major lighting companies are included in the index.

COMPARISON OF FIVE-YEAR CUMULATIVE TOTAL RETURN*
Among Acuity Brands, Inc., the S&P Midcap 400 Index,
the Dow Jones U.S. Electrical Components & Equipment Index,
and the Dow Jones U.S. Building Materials & Fixtures Index



*Assumes $100 invested on August 31, 2018 in stock or index, including reinvestment of dividends.

	Aug-18	Aug-19	Aug-20	Aug-21	Aug-22	Aug-23
Acuity Brands, Inc.	$ 100	$ 82	$ 72	$ 122	$ 109	$ 108
S&P Midcap 400 Index	100	94	98	141	127	140
Dow Jones U.S. Electrical Components & Equipment Index	100	90	104	150	133	161
Dow Jones U.S. Building Materials & Fixtures Index	100	111	130	206	162	205

Item 6. ***[Reserved]***

Item 7. ***Management's Discussion and Analysis of Financial Condition and Results of Operations.***

The purpose of this discussion and analysis is to enhance the understanding and evaluation of the results of operations, financial position, cash flows, indebtedness, and other key financial information of Acuity Brands, Inc. (referred to herein as "we," "our," "us," the "Company," or similar references) and its subsidiaries for the fiscal years ended August 31, 2023 and 2022. The following discussion should be read in conjunction with the *Consolidated Financial Statements* and *Notes to Consolidated Financial Statements* included within this report.

A discussion of the year ended August 31, 2022 compared to the year ended August 31, 2021 can be found within *Part II, Item 7. Management's Discussion and Analysis* within our fiscal 2022 Annual Report on Form 10-K filed with the Securities and Exchange Commission on October 26, 2022.

Overview

Company

We are a market-leading industrial technology company. We use technology to solve problems in spaces and light. Through our two business segments, Acuity Brands Lighting and Lighting Controls ("ABL") and the Intelligent Spaces Group ("ISG"), we design, manufacture, and bring to market products and services that make a valuable difference in people's lives. We achieve growth through the development of innovative new products and services, including lighting, lighting controls, building management solutions, and location-aware applications.

Financial Condition, Capital Resources, and Liquidity

We have numerous sources of capital, including cash on hand and cash flows generated from operations, as well as various sources of financing. Our ability to generate sufficient cash flows from operations or to access certain capital markets, including banks, is necessary to meet our capital allocation priorities, which are to invest in our current business for growth, to invest in mergers and acquisitions, to maintain our dividend, and to make share repurchases. Sufficient cash flow generation is also critical to fund our operations in the short and long terms and to maintain compliance with covenants contained in our financing agreements.

Our significant contractual cash requirements as of August 31, 2023 primarily include principal and interest on our unsecured notes, accounts payable, accrued employee compensation, and operating lease liabilities. We had no borrowings outstanding under our credit agreement as of August 31, 2023. Further details on our borrowings and operating lease liabilities are outlined in the *Debt and Lines of Credit* and *Leases* footnotes of the *Notes to Consolidated Financial Statements*, respectively, within this Annual Report on Form 10-K.

Additionally, we incur purchase obligations in the ordinary course of business that are enforceable and legally binding. Contractual purchase obligations subsequent to August 31, 2023 include $302.6 million in fiscal 2024. Contractual purchase obligations beyond fiscal 2024 are not significant.

We believe that we will be able to meet our liquidity needs over the next 12 months based on our cash on hand, current projections of cash flows from operations, and borrowing availability under financing arrangements. Additionally, we believe that our cash flows from operations and sources of funding, including, but not limited to, future borrowings and borrowing capacity, will sufficiently support our long-term liquidity needs. In the event of a sustained market deterioration, we may need additional capital, which would require us to evaluate available alternatives and take appropriate actions.

Cash

Our cash position at August 31, 2023 was $397.9 million, an increase of $174.7 million from August 31, 2022. Cash generated from operating activities and cash on hand were used during the current year to fund our capital allocation priorities as discussed below.

We generated $578.1 million of cash flows from operating activities during fiscal 2023 compared with $316.3 million in the prior-year period, an increase of $261.8 million. This increase was due primarily to increased cash collections from customers and fewer inventory purchases during the current period, partially offset by the timing of payments for purchases on account.

Financing Arrangements

See the *Debt and Lines of Credit* footnote of the *Notes to Consolidated Financial Statements* within this Annual Report on Form 10-K for discussion of the terms of our various financing arrangements, including the $500.0 million aggregate principal amount of 2.150% senior unsecured notes due December 15, 2030 (the "Unsecured Notes") as well as the terms of our $600.0 million five-year unsecured revolving credit facility (the "Revolving Credit Facility").

At August 31, 2023, our outstanding debt balance was $495.6 million, which consisted solely of our Unsecured Notes, compared to our cash position of $397.9 million. We were in compliance with all covenants under our financing arrangements as of August 31, 2023.

At August 31, 2023, we had additional borrowing capacity under the Revolving Credit Facility of $596.2 million under the most restrictive covenant in effect at the time, which represents the full amount of the facility less the outstanding letters of credit of $3.8 million issued under the facility. As of August 31, 2023, our cash on hand combined with the additional borrowing capacity under the revolving credit facility totaled approximately $994.1 million.

The Unsecured Notes were issued by Acuity Brands Lighting, Inc., a wholly-owned subsidiary of Acuity Brands, Inc. The Unsecured Notes are fully and unconditionally guaranteed on a senior unsecured basis by Acuity Brands, Inc. and ABL IP Holding LLC, a wholly-owned subsidiary of Acuity Brands, Inc. The following tables present summarized financial information for Acuity Brands, Inc., Acuity Brands Lighting, Inc., and ABL IP Holding LLC on a combined basis after the elimination of all intercompany balances and transactions between the combined group as well as any investments in non-guarantors as of the dates and during the period presented (in millions):

Summarized Balance Sheet Information	**August 31, 2023**	**August 31, 2022**
Current assets	$ 995.7	$ 1,056.6
Current assets due from non-guarantor affiliates	326.4	280.2
Non-current assets	1,377.9	1,414.3
Current liabilities	464.2	620.4
Non-current liabilities	785.4	821.0

Summarized Income Statement Information	**Year Ended August 31, 2023**
Net sales	$ 3,310.4
Gross profit	1,417.2
Net income	329.7

Capital Allocation Priorities

Our capital allocation priorities are to invest in our current business for growth, to invest in mergers and acquisitions, to maintain our dividend, and to make share repurchases.

Investments in Current Business for Growth

We invested $66.7 million and $56.5 million in property, plant, and equipment in fiscal 2023 and 2022, respectively. We invested more in fiscal 2023 primarily on new and enhanced equipment, facility improvements, and information technology.

Strategic Acquisitions, Investments, and Divestitures

We seek opportunities to strategically expand and enhance our portfolio of solutions. On May 15, 2023, using cash on hand, we acquired all of the equity interests of KE2 Therm Solutions, Inc. ("KE2 Therm"). KE2 Therm develops and provides intelligent refrigeration control solutions that deliver the precision of digital controls to promote safety, efficiency, and reliability, while delivering cost savings to the customer. This acquisition is intended to expand ISG's technology and controls product portfolio and reach new customers.

We sold our Sunoptics prismatic skylights business in November 2022. We recognized a pre-tax loss of $11.2 million on the sale of this business.

There were no acquisitions or divestitures during fiscal 2022. The $12.9 million of cash outflows in fiscal 2022 reflected in the *Consolidated Statements of Cash Flows* primarily relate to working capital settlements for fiscal 2021 acquisitions.

Please refer to the *Acquisitions and Divestitures* footnote of the *Notes to Consolidated Financial Statements* for more information.

Dividends

We paid dividends on our common stock of $16.8 million ($0.52 per share) in fiscal 2023 and $18.1 million ($0.52 per share) in fiscal 2022, indicating a quarterly dividend rate of $0.13 per share. All decisions regarding the declaration and payment of dividends are at the discretion of the Board of Directors (the “Board”) and are evaluated regularly in light of our financial condition, earnings, growth prospects, funding requirements, applicable law, and any other factors the Board deems relevant.

Share Repurchases

During fiscal 2023, we repurchased 1.6 million shares of our outstanding common stock for $269.3 million. Total cash outflows for share repurchases during fiscal 2023 were $266.6 million. We expect to repurchase shares on an opportunistic basis subject to various factors including stock price, Company performance, market conditions, and other possible uses of cash. As of August 31, 2023, the maximum number of shares that may yet be repurchased under the share repurchase program authorized by the Board equaled 1.2 million shares.

Results of Operations

The following is a discussion of our results of operations in fiscal 2023 compared to fiscal 2022. A discussion of our fiscal 2022 results of operations compared to fiscal 2021 can be found within *Part II, Item 7. Management's Discussion and Analysis* within our fiscal 2022 Annual Report on Form 10-K filed with the Securities and Exchange Commission on October 26, 2022.

The following table sets forth information comparing the components of net income for the year ended August 31, 2023 with the year ended August 31, 2022 (in millions except per share data):

	Year Ended August 31,		Increase	Percent
	2023	2022	(Decrease)	Change
Net sales	$ 3,952.2	$ 4,006.1	$ (53.9)	(1.3)%
Cost of products sold	2,239.0	2,333.4	(94.4)	(4.0)%
Gross profit	1,713.2	1,672.7	40.5	2.4 %
Percent of net sales	*43.3 %*	*41.8 %*	*150 bps*	
Selling, distribution, and administrative expenses	1,212.9	1,163.0	49.9	4.3 %
Special charges	26.9	—	26.9	NM
Operating profit	473.4	509.7	(36.3)	(7.1)%
Percent of net sales	*12.0 %*	*12.7 %*	*(70) bps*	
Other expense:				
Interest expense, net	18.9	24.9	(6.0)	(24.1)%
Miscellaneous expense (income), net	7.8	(9.1)	16.9	NM
Total other expense	26.7	15.8	10.9	NM
Income before income taxes	446.7	493.9	(47.2)	(9.6)%
Percent of net sales	*11.3 %*	*12.3 %*	*(100) bps*	
Income tax expense	100.7	109.9	(9.2)	(8.4)%
Effective tax rate	*22.5 %*	*22.3 %*		
Net income	$ 346.0	$ 384.0	$ (38.0)	(9.9)%
Diluted earnings per share	$ 10.76	$ 11.08	$ (0.32)	(2.9)%
NM - not meaningful				

Net Sales

Net sales of $3.95 billion for the year ended August 31, 2023 decreased by $53.9 million, or 1.3%, compared with the prior-year period due to declines in sales within our ABL segment, partially offset by higher sales within our ISG segment. The divestiture from our Sunoptics prismatic skylight business, the acquisition of KE2 Therm, and changes in foreign currency rates did not have a meaningful impact on net sales for the year ended August 31, 2023.

Gross Profit

Gross profit for the year ended August 31, 2023 increased $40.5 million, or 2.4%, to $1.71 billion compared with $1.67 billion for the prior year, and gross profit margin increased 150 basis points to 43.3% for fiscal 2023 compared with 41.8% in the prior-year period. Our gross profit increased compared with the prior year on lower sales as we strategically managed price. This increase was partially offset by higher labor costs as well as the recognition of a $13.0 million charge resulting from the collectability of a supplier warranty obligation owed to us for components we used in products manufactured and sold between 2017 and 2019.

Operating Profit

Selling, distribution, and administrative expenses of $1.21 billion for the year ended August 31, 2023 increased $49.9 million, or 4.3%, compared with the prior year. This increase was due primarily to higher employee-related costs and higher commissions.

We also recognized special charges of $26.9 million during fiscal year 2023. Please refer to the *Special Charges* footnote of the *Notes to Consolidated Financial Statements* within this Annual Report on Form 10-K for further details.

Operating profit for fiscal 2023 was $473.4 million compared with $509.7 million reported for the prior-year period, a decrease of $36.3 million, or 7.1%. The decrease in operating profit for fiscal 2023 compared with fiscal 2022 was due to the recognition of special charges in fiscal 2023 as well as increased operating expenses, partially offset by an increase in gross profit.

Interest Expense, net

Interest expense, net, was $18.9 million and $24.9 million for the years ended August 31, 2023 and 2022, respectively. The decrease in net interest expense was due to increased investing rates on our interest-bearing cash cash equivalents. compared to the prior year, partially offset by changes in average short-term borrowings outstanding.

Miscellaneous Expense (Income), net

Miscellaneous expense (income), net consists of non-service related components of net periodic pension cost, gains and losses associated with foreign currency-related transactions, and non-operating gains and losses.

We reported net miscellaneous expense of $7.8 million in fiscal 2023 compared with net miscellaneous income of $9.1 million in fiscal 2022. This year-over-year change was due primarily to the recognition of an $11.2 million loss on the sale of our Sunoptics prismatic skylights business in fiscal 2023 and an impairment charge of $2.5 million for one unconsolidated equity investment, as well as higher pension cost. These amounts were partially offset by higher gains on foreign currency-related items compared to the prior year.

The details of the Sunoptics sale are described in the *Acquisitions and Divestitures* footnote of the *Notes to Consolidated Financial Statements*. The details of the equity investment impairment charge are included in the *Fair Value Measurements* footnote of the *Notes to Consolidated Financial Statements*.

Income Taxes and Net Income

Our effective income tax rate was 22.5% and 22.3% for the years ended August 31, 2023 and 2022, respectively. Further details regarding income taxes are included in the *Income Taxes* footnote of the *Notes to Consolidated Financial Statements*.

Net income for fiscal 2023 decreased $38.0 million, or 9.9%, to $346.0 million from $384.0 million reported for the prior year. The decrease in net income resulted primarily from a decrease in operating profit compared to the prior-year period.

Diluted earnings per share for fiscal 2023 was $10.76 compared with $11.08 for the prior-year period, a decrease of $0.32, or 2.9%. This decrease reflects lower net income, partially offset by lower outstanding diluted shares.

Segment Results

The following tables set forth information comparing the operating results of our segments, ABL and ISG, for the year ended August 31, 2023 with the year ended August 31, 2022 (in millions):

	Year Ended August 31,			
	2023	2022	Increase (Decrease)	Percent Change
ABL:				
Net sales	$ 3,722.8	$ 3,810.1	$ (87.3)	(2.3)%
Operating profit	509.5	545.6	(36.1)	(6.6)%
Operating profit margin	13.7 %	14.3 %	(60) *bps*	
ISG:				
Net sales	$ 252.7	$ 216.1	$ 36.6	16.9 %
Operating profit	32.1	22.7	$ 9.4	41.4 %
Operating profit margin	12.7 %	10.5 %	220 *bps*	

ABL net sales for the year ended August 31, 2023 decreased 2.3% compared with the prior-year period due primarily to lower net sales within original equipment manufacturer ("OEM") and other, independent sales network, and corporate accounts channels, partially offset by higher net sales in direct sales network and retail sales channels.

Operating profit for ABL was $509.5 million (13.7% of ABL net sales) for the year ended August 31, 2023 compared to $545.6 million (14.3% of ABL net sales) in the prior-year period, a decrease of $36.1 million. The decrease in operating profit was due primarily to special charges of $25.0 million, the recognition of a $13.0 million charge related to the collectability of a supplier receivable, and lower net sales. These declines were partially offset by our strategic management of price.

ISG net sales for the year ended August 31, 2023 increased 16.9% compared with the prior-year period driven primarily by strong demand for building and heating, ventilation, and air conditioning controls as well as price increases. ISG operating profit was $32.1 million (12.7% of ISG net sales) for the year ended August 31, 2023 compared with $22.7 million (10.5% of ISG net sales) in the prior-year period, an increase of $9.4 million. This increase was due primarily to contributions from higher sales, partially offset by increased employee costs.

Accounting Standards Adopted in Fiscal 2023 and Accounting Standards Yet to Be Adopted

See the *New Accounting Pronouncements* footnote of the *Notes to Consolidated Financial Statements* for information on recently adopted and upcoming standards.

Critical Accounting Estimates

Management's Discussion and Analysis of Financial Condition and Results of Operations addresses the financial condition and results of operations as reflected in our *Consolidated Financial Statements*, which have been prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP"). As discussed in the *Description of Business and Basis of Presentation* footnote of the *Notes to Consolidated Financial Statements*, the preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements as well as reported amounts of revenue and expense during the reporting period. On an ongoing basis, we evaluate our estimates and judgments. We base our estimates and judgments on our substantial historical experience and/or other relevant factors, such as projections of future performance, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ from those estimates. We discuss the development of accounting estimates with our Audit Committee of the Board of Directors on a recurring basis. See the *Significant Accounting Policies* footnote of the *Notes to Consolidated Financial Statements* for a summary of our accounting policies.

We believe the following accounting topics represent our critical accounting estimates.

Revenue Recognition

We recognize revenue when we transfer control of goods and services to our customers. Revenue is measured as the amount of consideration we expect to receive in exchange for goods and services. In the period of revenue recognition, we estimate and record provisions for certain rebates, sales incentives, product returns, and discounts to customers, in most instances, as reductions of revenue. We also maintain one-time or on-going marketing and trade-promotion programs with certain customers that require us to estimate and accrue the expected costs of such programs. Generally, these items are estimated based on customer agreements, historical trends, and expected demand. For sales with multiple deliverables, significant judgment may be required to determine which performance obligations are distinct and should be accounted for separately. We allocate the expected consideration to be collected to each distinct performance obligation based on its standalone selling price. Standalone selling price is generally estimated using a cost plus margin valuation when no observable input is available.

Actual results could differ from estimates, which would require adjustments to recorded amounts. Please refer to the *Revenue Recognition* footnote of the *Notes to Consolidated Financial Statements* for additional information regarding estimates related to revenue recognition.

Inventories

Inventories include materials, direct labor, inbound freight, customs, duties, tariffs, and related manufacturing overhead. Inventories are stated on a first-in, first-out basis at the lower of cost and net realizable value. We review inventory quantities on hand and record a provision for excess or obsolete inventory primarily based on estimated future demand and current market conditions. A significant change in customer demand, market conditions, or technology could render certain inventory obsolete and thus could have a material adverse impact on our operating results in the period the change occurs.

Goodwill and Indefinite-Lived Intangible Assets

Indefinite-lived intangible assets consist of trade names acquired through multiple acquisitions that are expected to generate cash flows indefinitely. Significant estimates and assumptions were used to both identify and determine the initial fair value of these acquired intangible assets, often with the assistance of third-party valuation specialists. These assumptions include, but are not limited to, estimated future net sales and profitability, customer attrition rates, royalty rates, and discount rates. Goodwill is calculated as the residual value of an acquisition's purchase price less the value of the identifiable net assets and is thus dependent on the appropriate identification and valuation of the net assets obtained in an acquisition.

We review goodwill and indefinite-lived intangible assets for impairment on an annual basis in the fiscal fourth quarter and on an interim basis if an event occurs or circumstances change that would more likely than not indicate that the fair value of the goodwill or an indefinite-lived asset is below its carrying value. An impairment loss for goodwill or an indefinite-lived intangible asset would be recognized based on the difference between the carrying value of the asset and its estimated fair value, which would be determined based on either discounted future cash flows or another appropriate fair value method. The evaluation of goodwill and indefinite-lived intangibles for impairment requires management to use significant judgments and estimates in accordance with U.S. GAAP including, but not limited to, economic, industry, and Company-specific qualitative factors, projected future net sales, operating results, and cash flows.

We currently believe that the estimates used in the evaluation of goodwill and indefinite-lived intangibles are reasonable, including our calculations of fiscal 2023 trade name impairment charges described below. However, future differences between actual and expected net sales, operating results, and cash flows and/or changes in the discount rates or theoretical royalty rates used could require us to record additional non-cash impairment charges to earnings for the write-down in the value of such assets. Such charges could have a material adverse effect on our results of operations and financial position but not our cash flows from operations.

Goodwill

We performed our annual goodwill impairment analyses on the first day of our fiscal fourth quarter (June 1) for each period presented. Goodwill was tested for impairment at the reporting unit level using a combination of discounted future cash flows and relevant market multiples. Our discounted cash flow analyses required significant assumptions about discount rates, short and long-term growth rates, and future profitability. For the tests performed as of June 1, 2023, we utilized estimated discount rates ranging from 11% to 13%. These rates were based on the

Capital Asset Pricing Model, which considers a risk-free interest rate, beta, market risk premium, and size premium to determine an appropriate discount rate for a reporting unit. Short-term growth rates were based on management's forecasted financial results, which consider key business drivers such as specific revenue growth initiatives, market share changes, growth in our addressable market, and general economic factors such as macroeconomic conditions, credit availability, and interest rates. We calculated the discounted cash flows attributable to our reporting units for a 10-year discrete period with a terminal value and compared this calculation to the discounted cash flows generated over a 40-year period to corroborate the reasonableness of assumptions used. The long-term growth rate used in determining terminal value was estimated at 2.5% and was primarily based on our understanding of projections for expected long-term growth in our addressable market and historical long-term performance.

We corroborate the values determined from our discounted cash flow models using a relevant market multiple, generally published earnings and/or revenue multiples. We also reconcile the sum of the fair values for each reporting unit to our market capitalization at the testing date, including consideration of a control premium.

Any reasonably likely change in the assumptions used in these analyses, including revenue growth rates, discount rates, long-term growth rates, or relevant multiples would not cause the carrying value of any reporting unit to exceed its estimated fair value as determined under the goodwill impairment analysis. See the *Significant Accounting Policies* footnote of the *Notes to Consolidated Financial Statements* for further details.

Indefinite-Lived Intangible Assets

We performed our annual indefinite-lived intangible asset impairment analyses on the first day of our fiscal fourth quarter (June 1) for each period presented. As of June 1, 2023, the current fiscal year testing date, we held 13 indefinite-lived intangible assets with an aggregate carrying value of $173.4 million. We utilized significant assumptions to estimate the fair value of these indefinite-lived trade names using a fair value model based on discounted future cash flows ("fair value model") in accordance with Accounting Standards Codification ("ASC") Topic 820, *Fair Value Measurement* ("ASC 820"). Future cash flows associated with each of our indefinite-lived trade names are calculated by multiplying a theoretical royalty rate a willing third party would pay for use of the particular trade name by estimated future net sales attributable to the relevant trade name. The present value of the resulting after-tax cash flows is our current estimate of the fair value of each trade name. This fair value model requires us to make several significant assumptions, including specific estimated future net sales (including short and long-term growth rates), a royalty rate, and a discount rate for each trade name.

Our fiscal 2023 analyses resulted in impairment charges and the determination that certain assets no longer had indefinite lives. As of August 31, 2023, we held eight indefinite-lived intangible assets with an aggregate carrying value of $135.6 million. See the *Significant Accounting Policies* and *Fair Value Measurement* footnotes of the *Notes to Consolidated Financial Statements* for further details regarding the assumptions used and results of our annual impairment tests for the periods presented.

Share-based Payment Expense

We recognize compensation cost for share-based payment transactions in the financial statements under the provisions of ASC Topic 718, *Compensation—Stock Compensation* ("ASC 718"). Restricted stock awards, performance stock awards, stock options, and director stock units representing certain deferrals into the Nonemployee Director Deferred Compensation Plan (the "Director Plan") are valued based on their estimated grant date fair values. Depending on the nature of the grant, an award's fair value is based on the fair value of our common stock on the grant date, a Black-Scholes model, or a Monte Carlo simulation.

We generally recognize compensation cost for share-based payment transactions on a straight-line basis over an award's requisite service period, derived service period, or expected performance period. In certain circumstances, such as when a performance award is subject to graded vesting, we apply the accelerated attribution method to recognize compensation cost related to our share-based payment awards. When the actual number of awards earned is based on future performance, we recognize expense when it becomes probable that the performance metric will be satisfied.

Additionally, we estimate forfeitures of all share-based awards at the time of grant. We adjust forfeiture estimates for awards through their vesting dates to recognize compensation cost only for awards that actually vest. Forfeitures are estimated based on historical experience. If factors change causing different assumptions to be made in future periods, estimated compensation expense may differ significantly from that recorded in the current period.

See the *Share-based Payments* footnote of the *Notes to Consolidated Financial Statements* for further information on these awards, including assumptions used in estimating the fair value of our awards.

Product Warranty and Recall Costs

Our products generally have a standard warranty term of five years. We accrue for the estimated amount of future warranty costs when the related revenue is recognized. Estimated future warranty costs are primarily based on historical experience of identified warranty claims. Estimated costs related to product warranty and recall costs outside of our historical experience, which could include significant product recalls or formal campaigns soliciting repair or return of a product, are accrued when they are deemed to be probable and can be reasonably estimated. Any estimated or actual loss recoveries that offset our costs and payments are reflected as assets based on the timing of receipt of recovery net of any amounts deemed uncollectible.

We are fully self-insured for product warranty costs. Although we expect that historical activity will continue to be the best indicator of future warranty costs, there can be no assurance that future warranty costs will not exceed historical amounts. If actual future warranty or recall costs exceed recorded amounts, additional accruals may be required, which could have a material adverse impact on our results of operations and cash flow.

We also sell certain service-type warranties that extend coverages for products beyond their base warranties. We account for service-type warranties as distinct performance obligations, allocate an appropriate amount of transaction price to these transactions, and recognize revenue for these contracts ratably over the life of the additional warranty period. We allocate transaction price to our service-type warranties largely based on expectations of cost plus margin based on our estimate of future claims. These estimates are subject to a higher level of estimation uncertainty than other estimates, as we have less experience in costs in the extended warranty period. Claims related to service-type warranties are expensed as incurred.

Cautionary Statement Regarding Forward-Looking Statements and Information

This filing contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 (the “Act”). Forward-looking statements include, among other things, statements that describe or relate to the Company’s plans, initiatives, projections, vision, goals, targets, commitments, expectations, objectives, prospects, strategies, or financial outlook, and the assumptions underlying or relating thereto. In some cases, we may use words such as “expect,” “believe,” “intend,” “anticipate,” “estimate,” “forecast,” “indicate,” “project,” “predict,” “plan,” “may,” “will,” “could,” “should,” “would,” “potential,” and words of similar meaning, as well as other words or expressions referencing future events, conditions, or circumstances, to identify forward-looking statements. We intend these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Act. Forward-looking statements are not guarantees of future performance. Our forward-looking statements are based on our current beliefs, expectations, and assumptions, which may not prove to be accurate, and are subject to known and unknown risks and uncertainties, many of which are outside of our control. These risks and uncertainties could cause actual events or results to differ materially from our historical experience and management’s present expectations or projections. These risks and uncertainties are discussed in our filings with the U.S. Securities and Exchange Commission, including this annual report on Form 10-K (including, but not limited to, *Part I, Item 1a. Risk Factors*), quarterly reports on Form 10-Q, and current reports on Form 8-K. Any forward-looking statement speaks only as of the date on which it is made. You are cautioned not to place undue reliance on any forward-looking statements. Except as required by law, we undertake no obligation to publicly update or release any revisions to these forward-looking statements to reflect any events or circumstances after the date of this quarterly report or to reflect the occurrence of unanticipated events, whether as a result of new information, future events, or otherwise.

Item 7a. ***Quantitative and Qualitative Disclosures about Market Risk.***

General

We are exposed to worldwide market risks that may impact our *Consolidated Balance Sheets*, *Consolidated Statements of Comprehensive Income*, *Consolidated Statements of Cash Flows,* and *Consolidated Statements of Stockholders' Equity* due primarily to changing interest and foreign exchange rates. We do not currently engage in significant commodity hedging transactions for raw materials. The following discussion provides additional information regarding our market risks.

Interest Rates

Interest rate fluctuations expose variable-rate debt of the organization to changes in interest expense and cash flows. As of August 31, 2023, our long-term debt consisted primarily of fixed-rate senior unsecured notes. A fluctuation in interest rates would not affect interest expense or cash flows related to the Company’s fixed-rate debt.

However, a 10% increase in market interest rates at August 31, 2023 would have decreased the estimated fair value of our senior unsecured notes by approximately $14.2 million. As of August 31, 2023, we had no borrowings outstanding on our credit facility. Interest incurred on these borrowings is not significant to our overall results of operations or cash flows. See the *Debt and Lines of Credit* footnote of the *Notes to Consolidated Financial Statements* contained in this Form 10-K for additional information.

Foreign Exchange Rates

The majority of our net sales, expense, and capital purchases are transacted in U.S. dollars. However, exposure with respect to foreign exchange rate fluctuation exists due to our operations in Mexico and Canada, where a significant portion of products sold are produced or sourced from the United States, and, to a lesser extent, in Europe. Based on fiscal 2023 performance, a hypothetical depreciation of 10% in the value of the Canadian dollar in relation to the U.S. dollar would negatively impact operating profit by approximately $11.9 million, while a hypothetical 10% appreciation in the value of the Canadian dollar in relation to the U.S. dollar would favorably impact operating profit by approximately $14.5 million. In addition to products and services sold in Mexico, a significant portion of the goods sold in the United States are manufactured in Mexico. A hypothetical 10% decrease in the value of the Mexican peso in relation to the U.S. dollar would favorably impact operating profit by approximately $19.4 million, while a hypothetical 10% increase in the value of the Mexican peso in relation to the U.S. dollar would negatively impact operating profit by approximately $23.7 million. The individual impacts to the operating profit of hypothetical currency fluctuations in the Canadian dollar and Mexican peso have been calculated in isolation from any potential responses to address such exchange rate changes in our foreign markets.

Our exposure to foreign currency risk related to our operations in Europe is immaterial and has been excluded from this analysis.

Item 8. ***Financial Statements and Supplementary Data.***

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MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
ACUITY BRANDS, INC.

The management of Acuity Brands, Inc. is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a-15(f) and 15d-15(f) promulgated under the Securities Exchange Act of 1934. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The Company's management assessed the effectiveness of the Company's internal control over financial reporting as of August 31, 2023. In making this assessment, the Company's management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in *Internal Control-Integrated Framework (2013 Framework)*. Based on this assessment, management believes that, as of August 31, 2023, the Company's internal control over financial reporting is effective.

Management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of the acquired business of KE2 Therm Solutions, Inc., ("KE2 Therm"), which is included in the Company's consolidated financial statements as of August 31, 2023 and for the period from the acquisition date of May 15, 2023 through August 31, 2023. As of August 31, 2023, KE2 Therm constituted less than 2% of both the Company's consolidated assets and stockholders' equity. For the year ended August 31, 2023, KE2 Therm constituted less than 1% of both the Company's net sales and pre-tax income.

Ernst & Young LLP (PCAOB ID: 42), the Company's independent registered public accounting firm, has issued an audit report on its audit of the Company's internal control over financial reporting. This report dated October 26, 2023 is included within this Form 10-K.

/s/ NEIL M. ASHE	/s/ KAREN J. HOLCOM
Neil M. Ashe **Chairman, President and** **Chief Executive Officer**	**Karen J. Holcom** **Senior Vice President and** **Chief Financial Officer**

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Acuity Brands, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Acuity Brands, Inc. (the Company) as of August 31, 2023 and 2022, the related consolidated statements of comprehensive income, cash flows and stockholders' equity for each of the three years in the period ended August 31, 2023, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at August 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended August 31, 2023, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of August 31, 2023, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated October 26, 2023 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the account or disclosures to which it relates.

Valuation of Indefinite-Lived Trade Names

Description of the Matter

As explained in Notes 2 and 5 to the consolidated financial statements, the Company tests indefinite-lived trade names for impairment on an annual basis or more frequently if an event occurs or circumstances change that would more likely than not indicate that the fair value of the indefinite-lived trade name is below its carrying amount. The Company's indefinite-lived intangible assets consisted of thirteen trade names with an aggregate carrying value of approximately $173.4 million as of June 1, 2023, the Company's annual indefinite-lived trade name testing date. If the carrying amount exceeds the estimated fair value, an impairment loss would be recorded in the amount equal to the excess. As described in Notes 2 and 5, the Company recognized an impairment charge of approximately $14.0 million for six of these trade names.

Auditing the Company's impairment tests for indefinite-lived trade names was especially complex due to the judgmental nature of the significant assumptions used in the determination of estimated fair values for trade names. The Company estimates the fair values of trade names using a fair value model based on discounted future cash flows. Significant assumptions used to estimate the value of the trade names included estimated future net sales (including short- and long-term growth rates), discount rates and royalty rates, all of which are forward-looking and could be materially affected by economic, industry and company-specific qualitative factors.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's annual impairment process. This included testing controls over management's review of the discounted cash flow model, including the significant assumptions described above.

To test the fair values of the Company's indefinite-lived trade names, our audit procedures included, among others, evaluating the Company's use of the discounted cash flow model, the completeness and accuracy of the underlying data and the significant assumptions described above. We compared the significant assumptions to current industry, market and economic trends, and the Company's historical results. For the six trade names that were impaired, we involved our valuation specialists to assist in evaluating the Company's discounted cash flow model and certain assumptions including the discount rates and royalty rates. In addition, we considered the accuracy of the Company's historical projections of net sales compared to actual net sales. We also performed a sensitivity analysis to evaluate the potential change in the fair values of the trade names resulting from changes in the significant assumptions.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2002.

Atlanta, Georgia
October 26, 2023

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Acuity Brands, Inc.

Opinion on Internal Control Over Financial Reporting

We have audited Acuity Brands, Inc.'s internal control over financial reporting as of August 31, 2023, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Acuity Brands, Inc. (the Company) maintained, in all material respects, effective internal control over financial reporting as of August 31, 2023, based on the COSO criteria.

As indicated in the accompanying Management's Report on Internal Control over Financial Reporting, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of the acquired business of KE2 Therm Solutions, Inc. (KE2 Therm), which is included in the 2023 consolidated financial statements of the Company and constituted less than 2% of both the Company's consolidated assets and stockholders' equity, as of August 31, 2023 and less than 1% of both net sales and pre-tax income, for the year then ended. Our audit of internal control over financial reporting of the Company also did not include an evaluation of the internal control over financial reporting of KE2 Therm.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of August 31, 2023 and 2022, the related consolidated statements of comprehensive income, cash flows and stockholders' equity for each of the three years in the period ended August 31, 2023, and the related notes and our report dated October 26, 2023 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Atlanta, Georgia
October 26, 2023

ACUITY BRANDS, INC.
CONSOLIDATED BALANCE SHEETS
(In millions, except share data)

	August 31, 2023	August 31, 2022
ASSETS		
Current assets:		
Cash and cash equivalents	$ 397.9	$ 223.2
Accounts receivable, less reserve for doubtful accounts of $1.3 and $1.2, respectively	555.3	665.9
Inventories	368.5	485.7
Prepayments and other current assets	73.5	91.2
Total current assets	1,395.2	1,466.0
Property, plant, and equipment, net	297.6	276.5
Operating lease right-of-use assets	84.1	74.9
Goodwill	1,097.9	1,084.3
Intangible assets, net	481.2	529.2
Deferred income taxes	3.0	1.3
Other long-term assets	49.5	48.0
Total assets	$ 3,408.5	$ 3,480.2
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 285.7	$ 397.8
Current maturities of debt	—	18.0
Current operating lease liabilities	19.7	15.7
Accrued compensation	103.3	88.0
Other accrued liabilities	186.7	214.1
Total current liabilities	595.4	733.6
Long-term debt	495.6	495.0
Long-term operating lease liabilities	75.5	67.4
Accrued pension liabilities	38.4	41.4
Deferred income taxes	59.0	102.1
Other long-term liabilities	129.2	128.9
Total liabilities	1,393.1	1,568.4
Commitments and contingencies (see *Commitments and Contingencies* footnote)		
Stockholders' equity:		
Preferred stock, $0.01 par value; 50,000,000 shares authorized; none issued	—	—
Common stock, $0.01 par value; 500,000,000 shares authorized; 54,411,186 and 54,241,069 issued, respectively	0.5	0.5
Paid-in capital	1,066.8	1,036.3
Retained earnings	3,505.4	3,176.2
Accumulated other comprehensive loss	(112.6)	(125.8)
Treasury stock, at cost — 23,362,196 and 21,753,820 shares, respectively	(2,444.7)	(2,175.4)
Total stockholders' equity	2,015.4	1,911.8
Total liabilities and stockholders' equity	$ 3,408.5	$ 3,480.2

The accompanying *Notes to Consolidated Financial Statements* are an integral part of these statements.

ACUITY BRANDS, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In millions, except per-share data)

	Year Ended August 31,		
	2023	**2022**	**2021**
Net sales	$ 3,952.2	$ 4,006.1	$ 3,461.0
Cost of products sold	2,239.0	2,333.4	1,986.0
Gross profit	1,713.2	1,672.7	1,475.0
Selling, distribution, and administrative expenses	1,212.9	1,163.0	1,044.1
Special charges	26.9	—	3.3
Operating profit	473.4	509.7	427.6
Other expense:			
Interest expense, net	18.9	24.9	23.2
Miscellaneous expense (income), net	7.8	(9.1)	8.2
Total other expense	26.7	15.8	31.4
Income before income taxes	446.7	493.9	396.2
Income tax expense	100.7	109.9	89.9
Net income	$ 346.0	$ 384.0	$ 306.3
Earnings per share[(1)]:			
Basic earnings per share	$ 10.88	$ 11.23	$ 8.44
Basic weighted average number of shares outstanding	31.806	34.182	36.284
Diluted earnings per share	$ 10.76	$ 11.08	$ 8.38
Diluted weighted average number of shares outstanding	32.164	34.645	36.554
Dividends declared per share	$ 0.52	$ 0.52	$ 0.52
Comprehensive income:			
Net income	$ 346.0	$ 384.0	$ 306.3
Other comprehensive income (loss) items, net of tax:			
Foreign currency translation adjustments	8.5	(33.3)	13.3
Defined benefit plans	4.7	5.7	21.2
Other comprehensive income (loss) items, net of tax	13.2	(27.6)	34.5
Comprehensive income	$ 359.2	$ 356.4	$ 340.8

[(1)] Earnings per share is calculated using unrounded numbers. Amounts in the table may not recalculate exactly due to rounding.

The accompanying *Notes to Consolidated Financial Statements* are an integral part of these statements.

ACUITY BRANDS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

	Year Ended August 31,		
	2023	**2022**	**2021**
Cash flows from operating activities:			
Net income	$ 346.0	$ 384.0	$ 306.3
Adjustments to reconcile net income to cash flows from operating activities:			
Depreciation and amortization	93.2	94.8	100.1
Share-based payment expense	42.0	37.4	32.5
Gain on the sale or disposal of property, plant, and equipment	—	(2.3)	(0.1)
Asset impairments	20.8	1.7	6.0
Loss on sale of a business	11.2	—	—
Deferred income taxes	(47.8)	0.6	(2.7)
Changes in operating assets and liabilities, net of acquisitions			
Accounts receivable	114.6	(99.7)	(68.7)
Inventories	115.2	(83.3)	(35.5)
Prepayments and other current assets	21.4	(17.6)	(18.2)
Accounts payable	(110.5)	2.6	65.5
Other	(28.0)	(1.9)	23.5
Net cash provided by operating activities	578.1	316.3	408.7
Cash flows from investing activities:			
Purchases of property, plant, and equipment	(66.7)	(56.5)	(43.8)
Proceeds from sale of property, plant, and equipment	—	8.9	4.7
Acquisitions of businesses, net of cash acquired	(35.5)	(12.9)	(75.3)
Other investing activities	11.5	(1.7)	(3.5)
Net cash used for investing activities	(90.7)	(62.2)	(117.9)
Cash flows from financing activities:			
Borrowings on credit facility, net of repayments	(18.0)	18.0	—
Issuances of long-term debt	—	—	493.8
Repayments of long-term debt	—	—	(401.1)
Repurchases of common stock	(266.6)	(514.8)	(434.9)
Proceeds from stock option exercises and other	2.7	12.5	3.2
Payments of taxes withheld on net settlement of equity awards	(14.2)	(8.6)	(4.5)
Dividends paid	(16.8)	(18.1)	(19.1)
Other financing activities	—	(1.4)	—
Net cash used for financing activities	(312.9)	(512.4)	(362.6)
Effect of exchange rate changes on cash and cash equivalents	0.2	(9.8)	2.4
Net change in cash and cash equivalents	174.7	(268.1)	(69.4)
Cash and cash equivalents at beginning of year	223.2	491.3	560.7
Cash and cash equivalents at end of year	$ 397.9	$ 223.2	$ 491.3
Supplemental cash flow information:			
Income taxes paid	$ 147.2	$ 109.4	$ 86.4
Interest paid	$ 27.9	$ 26.1	$ 22.2

The accompanying *Notes to Consolidated Financial Statements* are an integral part of these statements.

ACUITY BRANDS, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In millions)

	Common Stock Outstanding						
	Shares[1]	Amount	Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss Items	Treasury Stock, at cost	Total
Balance, August 31, 2020	38.9	$ 0.5	$ 963.6	$ 2,523.3	$ (132.7)	$ (1,227.2)	$ 2,127.5
Net income	—	—	—	306.3	—	—	306.3
Other comprehensive income, net of tax	—	—	—	—	34.5	—	34.5
Share-based payment amortization, issuances, and cancellations	0.1	—	28.8	—	—	—	28.8
Employee stock purchase plan issuances	—	—	1.0	—	—	—	1.0
Cash dividends of $0.52 per share paid on common stock	—	—	—	(19.1)	—	—	(19.1)
Stock options exercised	—	—	2.2	—	—	—	2.2
Cumulative effect of adoption of ASC 326	—	—	—	(0.2)	—	—	(0.2)
Repurchases of common stock	(3.8)	—	—	—	—	(436.5)	(436.5)
Balance, August 31, 2021	35.2	0.5	995.6	2,810.3	(98.2)	(1,663.7)	2,044.5
Net income	—	—	—	384.0	—	—	384.0
Other comprehensive loss, net of tax	—	—	—	—	(27.6)	—	(27.6)
Share-based payment amortization, issuances, and cancellations	0.1	—	28.2	—	—	—	28.2
Employee stock purchase plan issuances	—	—	1.8	—	—	—	1.8
Cash dividends of $0.52 per share paid on common stock	—	—	—	(18.1)	—	—	(18.1)
Stock options exercised	0.1	—	10.7	—	—	—	10.7
Repurchases of common stock	(2.9)	—	—	—	—	(511.7)	(511.7)
Balance, August 31, 2022	32.5	0.5	1,036.3	3,176.2	(125.8)	(2,175.4)	1,911.8
Net income	—	—	—	346.0	—	—	346.0
Other comprehensive income, net of tax	—	—	—	—	13.2	—	13.2
Share-based payment amortization, issuances, and cancellations	0.2	—	27.8	—	—	—	27.8
Employee stock purchase plan issuances	—	—	1.5	—	—	—	1.5
Cash dividends of $0.52 per share paid on common stock	—	—	—	(16.8)	—	—	(16.8)
Stock options exercised	—	—	1.2	—	—	—	1.2
Repurchases of common stock	(1.6)	—	—	—	—	(269.3)	(269.3)
Balance, August 31, 2023	31.1	$ 0.5	$ 1,066.8	$ 3,505.4	$ (112.6)	$ (2,444.7)	$ 2,015.4

[1] Share activity and balances above calculated using rounded numbers.

The accompanying *Notes to Consolidated Financial Statements* are an integral part of these statements.

Note 1 — Description of Business and Basis of Presentation

Acuity Brands, Inc. (referred to herein as “we,” “our,” “us,” the “Company,” or similar references) is a market-leading industrial technology company. We use technology to solve problems in spaces and light. Through our two business segments, Acuity Brands Lighting and Lighting Controls (“ABL”) and the Intelligent Spaces Group (“ISG”), we design, manufacture, and bring to market products and services that make a valuable difference in people's lives. We achieve growth through the development of innovative new products and services, including lighting, lighting controls, building management systems, and location-aware applications.

ABL Segment

Our ABL strategy is to increase product vitality, improve service levels, use technology to improve and differentiate both our products and our services, and drive productivity. ABL's portfolio of lighting solutions includes commercial, architectural, and specialty lighting in addition to lighting controls and components that can be combined to create integrated lighting controls systems. We offer devices such as luminaires that predominantly utilize light emitting diode (“LED”) technology designed to optimize energy efficiency and comfort for various indoor and outdoor applications. ABL's portfolio of products includes but is not limited to the following brands: A-Light™, Aculux™, American Electric Lighting®, Cyclone™, Dark to Light®, eldoLED®, Eureka®, Gotham®, Healthcare Lighting®, Holophane®, Hydrel®, Indy™, IOTA®, Juno®, Lithonia Lighting®, Luminaire LED™, Luminis®, Mark Architectural Lighting™, nLight®, OPTOTRONIC®, Peerless®, RELOC® Wiring Solutions, and Sensor Switch™.

Principal customers of ABL include electrical distributors, retail home improvement centers, electric utilities, national accounts, original equipment manufacturer (“OEM”) customers, digital retailers, lighting showrooms, and energy service companies. Our customers are located in North America and select international markets that serve new construction, renovation and retrofit, and maintenance and repair applications. ABL's lighting and lighting controls solutions are sold primarily through a network of independent sales agencies that cover specific geographic areas and market channels, by internal sales representatives, through consumer retail channels, directly to large corporate accounts, and directly to OEM customers. Products are delivered directly from our manufacturing facilities or through a network of distribution centers, regional warehouses, and commercial warehouses using both common carriers and an internally-managed truck fleet.

ISG Segment

Our ISG strategy is to make spaces smarter, safer, and greener by connecting the edge to the cloud. ISG offers building management solutions and building management software. Our building management solutions include products for controlling heating, ventilation, air conditioning (“HVAC”); lighting; shades; refrigeration; and building access that deliver end-to-end optimization of those building systems. Our intelligent building software enhances the occupant experience, improves building system management, and automates labor intensive tasks while delivering operational energy efficiency and cost reductions. Through a connected and converged building system architecture, our software delivers different applications, allows clients to upgrade over time with natural refresh cycles, and deploys new capabilities. Customers of ISG primarily include system integrators as well as retail stores, airports, and enterprise campuses throughout North America and select international locations. ISG products and solutions are marketed under multiple brand names, including but not limited, to Atrius®, Distech Controls®, and KE2 Therm Solutions®.

Basis of Presentation

We have prepared the *Consolidated Financial Statements* in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”) to present the financial position, results of operations, and cash flows of Acuity Brands, Inc. and its wholly-owned subsidiaries.

Note 2 — Significant Accounting Policies

Principles of Consolidation

The *Consolidated Financial Statements* include the accounts of Acuity Brands, Inc. and its wholly-owned subsidiaries after elimination of intercompany transactions and accounts.

Use of Estimates

The preparation of financial statements and related disclosures in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expense during the reporting period. Actual results could differ from those estimates.

Revenue Recognition

Refer to the *Revenue Recognition* footnote of the *Notes to Consolidated Financial Statements* for information related to our revenue recognition accounting policies.

Cash and Cash Equivalents

Cash in excess of daily requirements is invested in time deposits and marketable securities and is included in the accompanying balance sheets at fair value. We consider time deposits and marketable securities with an original maturity of three months or less when purchased to be cash equivalents.

Accounts Receivable

We record accounts receivable at net realizable value. This value includes a reserve for doubtful accounts to reflect our estimate of expected credit losses over the contractual term of our receivables. Our estimation of current expected credit losses reflects our considerations of historical write-offs, an analysis of past due accounts based on the contractual terms of the receivables, and the economic status of customers, if known. We additionally consider the impact of general economic conditions, including construction spending, unemployment rates, and macroeconomic growth, on our customers' future ability to meet their obligations. We believe that the reserve is sufficient to cover uncollectible amounts; however, there can be no assurance that unanticipated future business conditions of customers will not have a negative impact on our results of operations, financial condition, or cash flows.

Concentrations of Credit Risk

Concentrations of credit risk with respect to receivables, which are typically unsecured, are generally limited due to the wide variety of customers and markets using our lighting, lighting controls, building management systems, and location-aware applications as well as their dispersion across many different geographic areas. One customer accounted for approximately 10% of receivables at August 31, 2023 and at August 31, 2022. No single customer accounted for more than 10% of net sales in fiscal 2023, 2022, or 2021.

Reclassifications

We may reclassify certain prior period amounts to conform to the current year presentation. No material reclassifications occurred during the current period.

Inventories

Inventories include materials, direct labor, inbound freight, customs, duties, tariffs, and related manufacturing overhead. Inventories are stated on a first-in, first-out basis at the lower of cost and net realizable value and consist of the following as of the dates presented (in millions):

	August 31,	
	2023	2022
Raw materials, supplies, and work in process[1]	$ 214.0	$ 252.6
Finished goods	180.3	264.0
Inventories excluding reserves	394.3	516.6
Less: Reserves	(25.8)	(30.9)
Total inventories	$ 368.5	$ 485.7

[1] Due to the immaterial amount of estimated work in process and the short lead times for the conversion of raw materials to finished goods, we do not believe the segregation of raw materials and work in process is meaningful information.

We review inventory quantities on hand and record a provision for excess or obsolete inventory primarily based on estimated future demand and current market conditions. A significant change in customer demand or market conditions could render certain inventory obsolete and could have a material adverse impact on our operating results in the period the change occurs. The following table summarizes the changes in our inventory reserves for the periods presented (in millions):

	Year Ended August 31,		
	2023	2022	2021
Beginning balance	$ 30.9	$ 38.0	$ 49.3
Additions to reserve	16.2	15.7	21.4
Disposals of reserved inventory	(20.6)	(22.5)	(32.7)
Foreign currency translation adjustments	(0.7)	(0.3)	—
Ending balance	$ 25.8	$ 30.9	$ 38.0

Assets Held for Sale

We classify assets as held for sale when a plan for disposal is developed and approved, the asset is available for immediate sale, an active program to locate a buyer at a price reasonable in relation to current fair value is initiated, and transfer of the asset is expected to be completed within one year. We cease the depreciation and amortization of the assets when all of these criteria have been met and generally reflect balances within *Prepayments and other current assets* on our *Consolidated Balance Sheets*. We did not have any assets classified as held for sale at August 31, 2023 or August 31, 2022.

During the year ended August 31, 2022, we sold one building classified as held for sale at August 31, 2021 with a total carrying value of $6.6 million for a gain of approximately $2.3 million. This gain is reflected in *Selling, distribution, and administrative expenses* within our *Consolidated Statements of Comprehensive Income*.

Goodwill and Other Intangibles

The changes in the carrying amount of goodwill during the periods presented by segment are summarized as follows (in millions):

	ABL	ISG	Total
Balance as of August 31, 2021	$ 1,022.2	$ 72.5	$ 1,094.7
Adjustments to provisional amounts from acquired businesses	2.3	—	2.3
Foreign currency translation adjustments	(10.3)	(2.4)	(12.7)
Balance as of August 31, 2022	1,014.2	70.1	1,084.3
Additions from acquired businesses	—	15.2	15.2
Adjustments to provisional amounts from acquired businesses	—	(0.2)	(0.2)
Derecognitions for divestitures	(0.7)	—	(0.7)
Foreign currency translation adjustments	0.9	(1.6)	(0.7)
Balance as of August 31, 2023	$ 1,014.4	$ 83.5	$ 1,097.9

Through multiple acquisitions, we acquired definite-lived intangible assets that are amortized over their estimated useful lives. Indefinite-lived intangible assets consist of trade names that are expected to generate cash flows indefinitely. Significant estimates and assumptions were used to determine the initial fair value of these acquired intangible assets, including estimated future short-term and long-term net sales and profitability, customer attrition rates, royalty rates, and discount rates. Certain of our intangible assets are attributable to foreign operations and are impacted by currency translation due to movements in foreign currency rates year over year. Summarized information for our intangible assets is as follows as of the dates presented (in millions except amortization periods):

	August 31,			
	2023		2022	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Definite-lived intangible assets:				
Patents and patented technology	$ 158.8	$ (122.3)	$ 160.8	$ (116.0)
Trademarks and trade names	45.5	(18.4)	27.2	(18.3)
Distribution network	61.8	(49.4)	61.8	(47.3)
Customer relationships	425.0	(155.4)	427.7	(140.4)
Total definite-lived intangible assets	$ 691.1	$ (345.5)	$ 677.5	$ (322.0)
Indefinite-lived trade names	$ 135.6		$ 173.7	

We recorded amortization expense of $42.1 million, $41.0 million, and $40.7 million related to acquired intangible assets during fiscal 2023, 2022, and 2021, respectively. Amortization expense is generally recorded on a straight-line basis and is expected to be approximately $39.6 million in fiscal 2024, $32.2 million in fiscal 2025, $29.5 million in fiscal 2026, $28.0 million in fiscal 2027, and $23.9 million in fiscal 2028.

We test goodwill and indefinite-lived intangible assets for impairment on an annual basis as of the first date of our fourth fiscal quarter (June 1) or more frequently if facts and circumstances indicate an asset is more likely than not impaired, as required by Accounting Standards Codification (“ASC”) Topic 350, *Intangibles—Goodwill and Other* (“ASC 350”). ASC 350 allows for an optional qualitative analysis for goodwill to determine the likelihood of impairment. If the qualitative review results in a more likely than not probability of impairment, a quantitative analysis is required. The qualitative step may be bypassed entirely in favor of a quantitative test.

The quantitative analysis for goodwill tests for impairments by comparing the fair value of a reporting unit to its carrying value, including goodwill. Reporting unit fair values can be determined based on a combination of valuation techniques including the expected present value of future cash flows, a market multiple approach, and a comparable transaction approach. If the fair value of a reporting unit exceeds its carrying value, goodwill is not

considered impaired. Conversely, if the carrying value of a reporting unit exceeds its fair value, an impairment charge for the difference would be recorded.

In fiscal 2023, 2022, and 2021, we used a quantitative analysis to calculate the fair value of our reporting units using a combination of discounted future cash flows and relevant market multiples. The analysis for goodwill did not result in an impairment charge during fiscal 2023, 2022, or 2021.

We performed our annual indefinite-lived intangible asset impairment analyses on the first day of our fiscal fourth quarter (June 1) for each period presented. As of June 1, 2023, the current fiscal year testing date, we held 13 indefinite-lived intangible assets with an aggregate carrying value of $173.4 million. The impairment test for indefinite-lived trade names compares the fair value of a trade name with its carrying value. If the carrying amount exceeds the estimated fair value, an impairment loss would be recorded for the amount of the excess. We estimate the fair value of indefinite-lived trade names using a fair value model based on discounted future cash flows. Significant assumptions, including estimated future short-term and long-term net sales, royalty rates, and discount rates, are used in the determination of estimated fair value for indefinite-lived trade names. Refer to the *Fair Value Measurement* footnote of the *Notes to Consolidated Financial Statements* for further information regarding significant assumptions used in our fiscal 2023 impairment test.

Based on the results of the indefinite-lived intangible asset analyses for fiscal 2023, we recorded an impairment charge of $14.0 million for six trade names within *Special Charges* in the *Consolidated Statements of Comprehensive Income* related to our ABL segment. We also determined five of these trade names no longer have indefinite lives. These trade names were classified as definite-lived as of June 1, 2023 and will be amortized over 15 years. The impairment analyses for fiscal 2023 of the other seven indefinite-lived intangible assets indicated that their fair values exceeded their carrying values.

The impairment analyses of our indefinite-lived intangible assets indicated that their fair values exceeded their carrying values for fiscal 2022 and fiscal 2021.

Other Long-Term Assets

Other long-term assets consist of the following items whose economic benefits are expected to be realized greater than one year from the dates presented (in millions):

	August 31,	
	2023	2022
Deferred costs and other assets[1] [2]	$ 29.9	$ 28.1
Investments in debt and equity securities	7.2	11.9
Pensions plans in which plan assets exceed benefit obligation	12.4	8.0
Total other long-term assets	$ 49.5	$ 48.0

(1) Estimated recoveries of warranty and recall costs, net of estimated credit losses, expected to be recovered greater than one year from the respective balance sheet dates are included in this category.

(2) Included within this category are company-owned life insurance investments. We maintain life insurance policies on 56 former employees primarily to satisfy obligations under certain deferred compensation plans. These company-owned life insurance policies are presented net of loans that are secured by these policies. This program is frozen, and no new policies were issued in the three-year period ended August 31, 2023.

Other Current Liabilities

Other current liabilities consist of the following as of the dates presented (in millions):

	August 31,	
	2023	2022
Customer incentive programs[1]	$ 31.6	$ 40.7
Refunds to customers[1]	25.6	28.0
Current deferred revenues[1]	14.1	11.4
Sales commissions	35.7	41.9
Freight costs	15.0	22.8
Warranty and recall costs[2]	22.8	22.4
Tax-related items[3]	9.2	13.9
Interest on long-term debt[4]	2.3	2.3
Other	30.4	30.7
Total other current liabilities	$ 186.7	$ 214.1

(1) Refer to the *Revenue Recognition* footnote of the *Notes to Consolidated Financial Statements* for additional information.
(2) Refer to the *Commitments and Contingencies* footnote of the *Notes to Consolidated Financial Statements* for additional information.
(3) Includes accruals for income, property, sales and use, and value added taxes.
(4) Refer to the *Debt and Lines of Credit* footnote of the *Notes to Consolidated Financial Statements* for additional information.

Other Long-Term Liabilities

Other long-term liabilities consist of the following as of the dates presented (in millions):

	August 31,	
	2023	2022
Deferred compensation and postretirement benefits other than pensions[1]	$ 45.6	$ 44.4
Deferred revenues[2]	47.6	53.1
Unrecognized tax position liabilities, including interest[3]	23.4	22.0
Self-insurance liabilities[4]	3.8	3.7
Product warranty and recall costs[4]	8.8	4.9
Other	—	0.8
Total other long-term liabilities	$ 129.2	$ 128.9

(1) We maintain several non-qualified retirement plans for the benefit of eligible employees, primarily deferred compensation plans. The deferred compensation plans provide for elective deferrals of an eligible employee's compensation and, in some cases, matching contributions by the organization. We maintain life insurance policies on certain former officers and other key employees as a means of satisfying a portion of these obligations.
(2) Refer to the *Revenue Recognition* footnote of the *Notes to Consolidated Financial Statements* for additional information.
(3) Refer to the *Income Taxes* footnote of the *Notes to Consolidated Financial Statements* for additional information.
(4) Refer to the *Commitments and Contingencies* footnote of the *Notes to Consolidated Financial Statements* for additional information.

Shipping and Handling Fees and Costs

We include shipping and handling fees billed to customers in *Net sales* in the *Consolidated Statements of Comprehensive Income*.

When a product is sold, the associated shipping and handling costs are recorded in the *Consolidated Statements of Comprehensive Income* based on their function. Costs associated with inbound freight and freight between manufacturing facilities and distribution centers are generally recorded in *Cost of products sold,* which may be capitalized into inventory. Other shipping and handling costs, which primarily include amounts incurred to transfer finished goods to a customer's desired location, are included in *Selling, distribution, and administrative expenses* and totaled $141.7 million, $151.2 million, and $132.0 million in fiscal 2023, 2022, and 2021, respectively.

Share-based Payments

We account for stock options, restricted stock, performance stock units, and stock units representing certain deferrals into the Nonemployee Director Deferred Compensation Plan (the "Director Plan") or the Supplemental Deferred Savings Plan ("SDSP") (both of which are discussed further in the *Share-based Payments* footnote) based on their grant-date fair values estimated under the provisions of ASC Topic 718, *Compensation—Stock Compensation* ("ASC 718").

We generally recognize compensation cost for share-based payment transactions on a straight-line basis over an award's requisite service period as defined by ASC 718. We apply the accelerated attribution method in certain circumstances, such as when a performance stock unit is subject to graded vesting. For awards subject to a market condition, we consider both actual and derived service periods, as well as the expected performance period, to determine the appropriate compensation recognition method. We have recorded share-based payment expense, net of estimated forfeitures, in *Selling, distribution, and administrative expenses* in the *Consolidated Statements of Comprehensive Income*. Share-based payment expense includes expense related to restricted stock, performance stock units, options issued, and stock units deferred into the Director Plan. We recorded $42.0 million, $37.4 million, and $32.5 million of share-based payment expense for the years ended August 31, 2023, 2022, and 2021, respectively. The total income tax benefit recognized for share-based payment expense was $7.2 million, $9.6 million, and $6.5 million for the years ended August 31, 2023, 2022, and 2021, respectively.

Excess tax benefits and/or expense related to share-based payment awards are reported within *Income tax expense* on the *Consolidated Statements of Comprehensive Income*. We recognized net excess tax benefit related to share-based payment cost of $1.5 million and $4.8 million for the years ended August 31, 2023 and 2022, respectively. We recognized net excess tax expense related to share-based payment cost of $0.5 million for the year ended August 31, 2021.

See the *Share-based Payments* footnote of the *Notes to Consolidated Financial Statements* for more information.

Property, Plant, and Equipment

Property, plant, and equipment is initially recorded at cost and depreciated principally on a straight-line basis using estimated useful lives of plant and equipment (3 to 40 years for buildings and related improvements and 2 to 15 years for machinery and equipment) for financial reporting purposes. Accelerated depreciation methods are used for income tax purposes. Leasehold improvements are amortized over the shorter of the life of the lease or the estimated useful life of the improvement. Land is not depreciated. Depreciation expense amounted to $51.1 million, $53.8 million, and $59.4 million during fiscal 2023, 2022, and 2021, respectively. The balance of property, plant, and equipment consists of the following as of the dates presented (in millions):

	August 31,	
	2023	2022
Land	$ 23.0	$ 22.0
Buildings and leasehold improvements	210.9	202.3
Machinery and equipment	727.9	667.6
Total property, plant, and equipment, at cost	961.8	891.9
Less: Accumulated depreciation and amortization	(664.2)	(615.4)
Property, plant, and equipment, net	$ 297.6	$ 276.5

Research and Development

Research and development ("R&D") expense consists of compensation, payroll taxes, employee benefits, materials, supplies, and other administrative costs, but it does not include all new or enhanced product development costs. R&D expense is expensed as incurred and is included in *Selling, distribution, and administrative expenses* in our *Consolidated Statements of Comprehensive Income*. R&D expense amounted to $97.1 million, $95.1 million, and $88.3 million during fiscal 2023, 2022, and 2021, respectively.

Advertising

Advertising costs are expensed as incurred and are included within *Selling, distribution, and administrative expenses* in our *Consolidated Statements of Comprehensive Income*. These costs totaled $21.9 million, $19.3 million, and $15.9 million during fiscal 2023, 2022, and 2021, respectively.

Interest Expense, Net

Interest expense, net, is comprised primarily of interest expense on long-term debt, line of credit borrowings, and loans that are secured by and presented net of company-owned life insurance policies on our *Consolidated Balance Sheets*. Interest expense is partially offset by interest income earned on cash and cash equivalents.

The following table summarizes the components of *Interest expense, net* during the periods presented (in millions):

	Year Ended August 31,		
	2023	2022	2021
Interest expense	$ 27.9	$ 27.0	$ 24.2
Interest income	(9.0)	(2.1)	(1.0)
Interest expense, net	$ 18.9	$ 24.9	$ 23.2

Miscellaneous Expense (Income), Net

Miscellaneous expense (income), net, is comprised primarily of non-service related components of net periodic pension cost, gains and losses associated with foreign currency-related transactions, and non-operating gains and losses. During fiscal 2023 we reported an $11.2 million loss of the sale of our Sunoptics prismatic skylights business. The details of the Sunoptics sale are described in the *Acquisitions and Divestitures* footnote of the *Notes to Consolidated Financial Statements*.

Amounts relating to foreign currency transactions consisted of net gains of $8.4 million in fiscal 2023, net gains of $5.3 million in fiscal 2022, and net losses of $1.3 million in fiscal 2021.

Income Taxes

We are taxed at statutory corporate rates after adjusting income reported for financial statement purposes for certain items that are treated differently for income tax purposes. Deferred income tax expenses or benefits result from changes during the year in cumulative temporary differences between the tax basis and book basis of assets and liabilities. Refer to the *Income Taxes* footnote of the *Notes to Consolidated Financial Statements* for additional information.

Foreign Currency Translation

The functional currency for foreign operations is generally the local currency where the foreign operations are domiciled. The translation of foreign currencies into U.S. dollars is performed for asset and liability accounts using exchange rates in effect at the balance sheet dates and for revenue and expense accounts using a weighted average exchange rate each month during the year. The gains or losses resulting from the balance sheet translation are included in *Foreign currency translation adjustments* in the *Consolidated Statements of Comprehensive Income* and are excluded from net income.

Comprehensive Income

Comprehensive income represents a measure of all changes in equity that result from recognized transactions and other economic events other than transactions with owners in their capacity as owners. *Other comprehensive income (loss) items* includes foreign currency translation and pension adjustments.

The following table presents the changes in each component of accumulated other comprehensive loss net of tax during the periods presented (in millions):

	Foreign Currency Items	Defined Benefit Pension Plans	Accumulated Other Comprehensive Loss Items
Balance as of August 31, 2021	$ (40.2)	$ (58.0)	$ (98.2)
Other comprehensive (loss) income before reclassifications	(33.3)	0.7	(32.6)
Amounts reclassified from accumulated other comprehensive loss [1]	—	5.0	5.0
Net current period other comprehensive (loss) income	(33.3)	5.7	(27.6)
Balance as of August 31, 2022	(73.5)	(52.3)	(125.8)
Other comprehensive income before reclassifications	8.5	0.4	8.9
Amounts reclassified from accumulated other comprehensive loss [1]	—	4.3	4.3
Net current period other comprehensive income	8.5	4.7	13.2
Balance as of August 31, 2023	$ (65.0)	$ (47.6)	$ (112.6)

[1] The before tax amounts of the defined benefit pension plan items are included in net periodic pension cost. See the *Pension and Defined Contribution Plans* footnote for additional details.

The following table presents the tax expense or benefit allocated to each component of other comprehensive income (loss) during the periods presented (in millions):

	Year Ended August 31,								
	2023			2022			2021		
	Before Tax Amount	Tax (Expense) or Benefit	Net of Tax Amount	Before Tax Amount	Tax (Expense) or Benefit	Net of Tax Amount	Before Tax Amount	Tax (Expense) or Benefit	Net of Tax Amount
Foreign currency translation adjustments	$ 8.5	$ —	$ 8.5	$ (33.3)	$ —	$ (33.3)	$ 13.3	$ —	$ 13.3
Defined benefit pension plans:									
Tax adjustments	—	—	—	—	—	—	—	(3.2)	(3.2)
Actuarial gains	0.4	—	0.4	0.7	—	0.7	17.5	(3.6)	13.9
Amortization of defined benefit pension items:									
Prior service cost	2.6	(0.6)	2.0	2.9	(0.7)	2.2	2.9	(0.6)	2.3
Actuarial losses	3.0	(0.7)	2.3	3.3	(0.8)	2.5	5.5	(1.2)	4.3
Settlement losses	—	—	—	0.4	(0.1)	0.3	3.9	—	3.9
Total defined benefit plans, net	6.0	(1.3)	4.7	7.3	(1.6)	5.7	29.8	(8.6)	21.2
Other comprehensive income (loss)	$ 14.5	$ (1.3)	$ 13.2	$ (26.0)	$ (1.6)	$ (27.6)	$ 43.1	$ (8.6)	$ 34.5

Note 3 — New Accounting Pronouncements

Accounting Standards Adopted in Fiscal 2023

Accounting Standards Update ("ASU") 2021-08, Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers ("ASU 2021-08")

In October 2021, the Financial Accounting Standards Board (the "FASB") issued ASU 2021-08, which requires companies to recognize and measure contract assets and contract liabilities acquired in a business combination as if the acquiring company originated the related revenue contracts. ASU 2021-08 is effective for fiscal years beginning after December 15, 2022, or our fiscal 2024, with early adoption permitted, including in an interim period. We early adopted ASU 2021-08 as of May 15, 2023, on a prospective basis, as permitted by the standard, and applied its provisions to our current period acquisition. This standard did not have a material effect on our fiscal 2023 acquisition or our financial condition, results of operations, or cash flows.

Accounting Standards Yet to Be Adopted

ASU 2023-02, Investments—Equity Method and Joint Ventures (Topic 323): Accounting for Investments in Tax Credit Structures Using the Proportional Amortization Method ("ASU 2023-02")

In March 2023, the FASB issued ASU 2023-02, which expands the permitted use of the proportional amortization method of accounting for certain tax-related investments if certain conditions are met. ASU 2023-02 is effective for fiscal years beginning after December 15, 2023, or our fiscal 2025, with early adoption permitted, including in an interim period. As of August 31, 2023, we do not hold any qualifying investments. Therefore, we do not expect ASU 2023-02 to have a material impact on our financial condition, results of operations, or cash flows.

All other newly issued accounting pronouncements not yet effective have been deemed either immaterial or not applicable.

Note 4 — Acquisitions and Divestitures

Acquisitions

The following discussion relates to fiscal 2023 and 2021 acquisitions. There were no acquisitions during fiscal 2022. The $12.9 million of cash outflows reflected in the fiscal 2022 *Consolidated Statements of Cash Flows* relate to fiscal 2021 acquisitions primarily for working capital settlements.

Fiscal 2023 Acquisitions

On May 15, 2023, using cash on hand, we acquired all of the equity interests of KE2 Therm Solutions, Inc. ("KE2 Therm"). KE2 Therm develops and provides intelligent refrigeration control solutions that deliver the precision of digital controls to promote safety, efficiency, and reliability, while delivering cost savings to the customer. This acquisition is intended to expand ISG's technology and controls product portfolio and reach new customers.

We accounted for the acquisition of KE2 Therm in accordance with Accounting Standards Codification ("ASC") Topic 805, *Business Combinations* ("ASC 805"). Acquired assets and liabilities were recorded at their estimated acquisition-date fair values. Acquisition-related costs were expensed as incurred and were not material to our financial statements. The aggregate purchase price of these acquisitions reflects preliminary goodwill within the ISG segment of $15.0 million at August 31, 2023, which is not expected to be deductible for tax purposes. The goodwill is primarily comprised of expected benefits related to expanding ISG's technology and controls product portfolio as well as the trained workforce acquired with these businesses and expected synergies from combining the operations of KE2 Therm with our operations.

We additionally recorded preliminary gross intangible assets of $18.0 million as of August 31, 2023, which reflect estimates for definite-lived intangibles with a preliminary estimated weighted average useful life of approximately 15 years.

Amounts recorded for acquired assets and liabilities are deemed to be provisional until disclosed otherwise as we continue to gather information related to the identification and valuation of acquired assets and liabilities including, but not limited to, intangible assets and tax-related items. The operating results of KE2 Therm have been included in our financial statements since the date of acquisition and are not material to our financial condition, results of operations, or cash flows.

Fiscal 2021 Acquisitions

ams OSRAM's North American Digital Systems Business

On July 1, 2021, using cash on hand, we acquired certain assets and liabilities of ams OSRAM's North American Digital Systems business ("OSRAM DS"). This acquisition is intended to enhance our LED driver and controls technology portfolio and accelerate our innovation, expand our access to market through a more fulsome OEM product offering, and give us more control over our supply chain.

Rockpile Ventures, Inc.

On May 18, 2021, using cash on hand, we acquired all of the equity interests of Rockpile Ventures, Inc., ("Rockpile Ventures") an accelerator of edge artificial intelligence ("AI") startups. Rockpile Ventures helps early-stage artificial intelligence companies drive co-engineering and co-selling partnerships with major cloud ecosystems, enabling faster adoption from proof-of-concept trials to market scale.

Accounting for Fiscal 2021 Acquisitions

We accounted for the acquisitions of Rockpile Ventures and OSRAM DS (collectively the "2021 Acquisitions") in accordance with ASC 805. We finalized the acquisition accounting for the 2021 Acquisitions during fiscal 2022. There were no material changes to our financial statements as a result of the finalization of the acquisition accounting for these acquisitions.

The aggregate purchase price of the 2021 Acquisitions reflects goodwill of $12.3 million and definite-lived customer-based intangible assets of $6.7 million, which have a useful life of approximately 11 years. Goodwill recognized from the 2021 Acquisitions is comprised primarily of expected synergies from obtaining more control over our supply chain and technology, combining the operations of the acquired business with our operations, and acquiring the associated trained workforce. Goodwill from the 2021 Acquisitions totaling $9.2 million is tax deductible.

Divestitures

We sold our Sunoptics prismatic skylights business in November 2022. We transferred assets with a total carrying value of $15.1 million, which primarily consisted of intangibles with definite lives, inventories, and allocated goodwill from the ABL segment. We recognized a pre-tax loss on the sale of $11.2 million within *Miscellaneous expense (income), net* on the *Consolidated Statements of Comprehensive Income*. Additionally, we recorded impairment charges for certain retained assets as well as associate severance and other costs related to the sale. These items are included within *Special charges* on the *Consolidated Statements of Comprehensive Income*. See the *Special Charges* and *Fair Value Measurements* footnotes of the *Notes to Consolidated Financial Statements* for further details. There were no divestitures during fiscal 2022 or 2021.

Note 5 — Fair Value Measurements

We determine fair value measurements based on the assumptions a market participant would use in pricing an asset or liability. ASC Topic 820, *Fair Value Measurement* ("ASC 820"), establishes a three-level hierarchy that distinguishes between market participant assumptions based on (i) unadjusted quoted prices for identical assets or liabilities in an active market (Level 1), (ii) quoted prices in markets that are not active or inputs that are observable either directly or indirectly for substantially the full term of the asset or liability (Level 2), and (iii) prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement (Level 3).

We utilize valuation methodologies to determine the fair values of our financial assets and liabilities in conformity with the concepts of "exit price" and the fair value hierarchy as prescribed in ASC 820. All valuation methods and assumptions are validated at least quarterly to ensure the accuracy and relevance of the fair values. There were no material changes to the valuation methods or assumptions used to determine fair values during the current period. No transfers between the levels of the fair value hierarchy occurred during the current fiscal period. In the event of a transfer in or out of a level within the fair value hierarchy, the transfers would be recognized on the date of occurrence. We may from time to time be required to remeasure the carrying value of certain assets and liabilities to fair value on a nonrecurring basis. Such adjustments typically arise if we determine that certain of our assets are impaired.

Financial Instruments Recorded at Fair Value

The following table summarizes balances and the fair value hierarchy level of our financial instruments recorded at fair value on a recurring basis as of the dates presented (in millions):

	August 31,							
	2023				2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 397.9	$ —	$ —	$ 397.9	$ 223.2	$ —	$ —	$ 223.2
Other financial instruments	—	0.4	—	0.4	—	—	—	—
Assets in fair value hierarchy	397.9	0.4	—	398.3	223.2	—	—	223.2
Other investments[1]				7.2				11.9
Total assets at fair value	$ 397.9	$ 0.4	$ —	$ 405.5	$ 223.2	$ —	$ —	$ 235.1

(1) Includes strategic investments in privately-held entities over which we do not exercise significant influence or control without readily determinable fair values. Amounts are recorded at cost less any impairment adjusted for observable price changes, if any.

During the second quarter of fiscal 2023, we received cash for the cancellation of a strategic investment, whose underlying company was acquired by a third party. We also received preferred equity in the third party with a cost basis of $2.5 million that is accounted for under ASC 320, *Investments—Debt Securities* using discounted cash flows based on rates of similar instruments (Level 2). During the year ended August 31, 2023, we recorded an allowance for credit loss for this investment for its full cost basis. This credit loss reflected a decline in the underlying company's financial condition and long-term prospects, which included a suspension of dividend payments owed to us as well as a significant market decline in its publicly traded securities, including similar preferred equities. This impairment charge is reflected in *Miscellaneous expense (income), net* for the year ended August 31, 2023 within our *Consolidated Statements of Comprehensive Income.* Accrued interest related to this investment was not material to our financial statements. We had no credit losses on our investments at August 31, 2022.

Nonrecurring Fair Value Measurements

The following table summarizes information related to our nonrecurring fair value measurements during the current fiscal year (in millions):

	Measurement Date	Fair Value Hierarchy Level	Fair Value
Indefinite-lived trade names	June 1, 2023	Level 3	$ 46.5
Right of use operating lease asset group	November 30, 2022	Level 3	3.4
Total assets at nonrecurring fair value			$ 49.9

Indefinite-Lived Trade Names

We performed an evaluation of the fair values of our indefinite-lived trade names as of June 1, 2023. Our analyses indicated that the carrying values of six of our trade names exceeded their fair values due primarily to expectations of the associated brands' future performance compared to original expectations at acquisition date as well as increases in overall discount rates. The total fair value of these trade names at June 1, 2023 totaled $46.5 million, which resulted in an impairment charge of $14.0 million. This charge is reflected within *Special Charges* on the *Consolidated Statements of Comprehensive Income* and relates to our ABL segment. We also determined the remaining value for five of these indefinite-lived trade names no longer have indefinite lives. These trade names were classified as definite-lived as of June 1, 2023 and will be amortized over 15 years. The impairment analyses of the other seven indefinite-lived intangible assets indicated that their fair values exceeded their carrying values.

We utilized significant assumptions to estimate the fair values of our indefinite-lived trade names using a fair value model based on discounted future cash flows (“fair value model”) in accordance with ASC 820. Future cash flows associated with our indefinite-lived trade names were calculated by multiplying a theoretical royalty rate a willing

third party would pay for use of the particular trade name by estimated future net sales attributable to the relevant trade name. The present value of the resulting after-tax cash flows reflected our estimate of the fair value of each trade name. This fair value model required us to make several significant assumptions, including specific estimated future net sales (including short and long-term growth rates), a royalty rate, and a discount rate for each trade name.

Future net sales and short-term growth rates are estimated for trade names based on management's financial forecasts, which consider key business drivers, such as specific revenue growth initiatives, market share changes, expected growth in our addressable market, and general economic factors, such as macroeconomic conditions, credit availability, and interest rates. Our expected revenues as of June 1, 2023 were based on our fiscal 2023 and 2024 projections as well as recent third-party lighting, controls, and building technology solutions market growth estimates through 2028. We also included revenue growth estimates based on current initiatives expected to help improve performance, as appropriate. The long-term growth rate used in determining terminal value was estimated at 2.5% and was based primarily on our understanding of projections for expected long-term growth for our addressable market and historical long-term performance.

The theoretical royalty rate was estimated primarily using management's assumptions regarding the amount a willing third party would pay to use the particular trade name and was compared with market information for similar intellectual property within and outside of the industry. During fiscal 2023, estimated theoretical royalty rates ranged between 1% and 3%. We based discount rates on the Capital Asset Pricing Model, which considers a current risk-free interest rate, beta, market risk premium, and size premium appropriate for each intangible. We utilized a range of estimated discount rates between 11% and 13% as of June 1, 2023.

Any reasonably likely change in the assumptions used in the analyses for our trade names, including revenue growth rates, royalty rates, and discount rates, would not be material to our financial condition or results of operations.

Right of Use Operating Lease Asset Group

In connection with our sale of our Sunoptics prismatic skylights business in November 2022, we retained certain assets, primarily right of use lease assets, that we did not plan to continue using in our manufacturing operations. Accordingly, we assessed the recoverability of these assets using an undiscounted cash flow model and concluded that the carrying values of the assets were not fully recoverable, which triggered an impairment test for these assets. Our impairment test indicated that the fair value of the assets totaled $3.4 million, which resulted in an impairment charge of $4.3 million. This amount is included within *Special charges* on the *Consolidated Statements of Comprehensive Income*.

The recoverability and impairment test required significant assumptions including estimated future cash flows, the identification of assets within the asset group, and the determination of appropriate discount rates. Future cash flows were largely based both on third-party market date for sublease rental rates as well as our historic experience in subleasing properties. The discount rate was calculated using a methodology consistent with our incremental borrowing rate for leases initiated at that time and approximated the high end of our weighted average discount rate for operating leases described in the *Leases* footnote of the *Notes to Consolidated Financial Statements.*

Disclosures of Fair Value of Financial Instruments

Disclosures of fair value information about financial instruments, for which it is practicable to estimate that value, are required each reporting period in addition to any financial instruments carried at fair value on a recurring basis as prescribed by ASC Topic 825, *Financial Instruments* ("ASC 825"). In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows.

Fair value for our outstanding debt obligations is estimated based on discounted future cash flows using rates currently available for debt of similar terms and maturity (Level 2). Our senior unsecured public notes are carried at the outstanding balance, net of unamortized bond discount and deferred costs, as of the end of the reporting period. The estimated fair value of our senior unsecured public notes was $401.4 million and $399.2 million as of August 31, 2023 and 2022, respectively.

We had no short-term borrowings and $18.0 million of short-term borrowings outstanding under our revolving credit facility as of August 31, 2023 and 2022, respectively. These borrowings are variable-rate instruments that reset on a

frequent short-term basis; therefore, we estimate that any outstanding carrying values of these instruments, which are equal to their face amounts, approximate their fair values. See *Debt and Lines of Credit* footnote for further details on our outstanding borrowings.

ASC 825 excludes certain financial instruments and all nonfinancial instruments from its disclosure requirements. Accordingly, the aggregate fair value amounts presented do not represent the underlying value to us. In many cases, the fair value estimates cannot be substantiated by comparison to independent markets, nor can the disclosed value be realized in immediate settlement of the instruments. In evaluating our management of liquidity and other risks, the fair values of all assets and liabilities should be taken into consideration, not only those presented above.

Note 6 — Leases

We lease property and equipment under operating lease arrangements, most of which relate to distribution centers and manufacturing facilities in the U.S., Mexico, and Canada. We include both the contractual term as well as any renewal option that we are reasonably certain to exercise in the determination of our lease terms. For leases with a term of greater than 12 months, we value lease liabilities as the present value of the lease payments over the related term. Related assets are equal to the calculated lease liabilities adjusted for incentives and other items as prescribed by ASC Topic 842, *Leases* (“ASC 842”). Lease payments generally consist of fixed amounts, and variable amounts based on a market rate or an index are not material to our consolidated lease cost. We have elected to use the practical expedient present in ASC 842 to not separate lease and non-lease components for all significant underlying asset classes and instead account for them together as a single lease component in the measurement of our lease liabilities.

We apply the short-term lease exception to leases with a term of 12 months or less and exclude such leases from our *Consolidated Balance Sheets*. Payments related to these short-term leases are expensed on a straight-line basis over the lease term and are reflected as a component of lease cost within our *Consolidated Statements of Comprehensive Income*.

Generally, the rates implicit in our leases are not readily determinable. Therefore, we discount future lease payments using our estimated incremental borrowing rate at lease commencement. We determine this rate based on a credit-adjusted risk-free rate, which approximates a secured rate over the lease term. The weighted average discount rate for operating leases was 3.5% and 2.5% as of August 31, 2023 and 2022, respectively.

The following table presents the future undiscounted payments due on our operating lease liabilities as well as a reconciliation of those payments to our operating lease liabilities recorded as of the date presented (in millions):

Fiscal year	August 31, 2023
2024	$ 22.5
2025	20.9
2026	16.5
2027	12.5
2028	8.9
Thereafter	24.0
Total undiscounted lease payments	105.3
Less: Discount due to interest	(10.1)
Present value of lease liabilities	$ 95.2

The weighted average remaining lease term for our operating leases was six years as of August 31, 2023.

Lease cost is recorded within *Cost of products sold,* and may be capitalized into inventory as manufacturing overhead, or *Selling, distribution, and administrative expenses* in the *Consolidated Statements of Comprehensive Income* based on the primary use of the related right of use ("ROU") asset. The components of total lease cost were as follows during the periods presented (in millions):

	Year Ended August 31,		
	2023	2022	2021
Operating lease cost	$ 22.3	$ 18.8	$ 18.3
Variable lease cost	4.2	2.7	2.0
Short-term lease cost	3.6	4.3	2.2
Total lease cost	$ 30.1	$ 25.8	$ 22.5

Cash paid for operating lease liabilities during the year ended August 31, 2023, 2022, and 2021 was $20.1 million, $18.5 million, and $26.2 million, respectively. ROU assets obtained in exchange for lease liabilities during the year ended August 31, 2023 and 2022 were $29.9 million and $37.3 million, respectively.

We have no significant leases that have not yet commenced as of August 31, 2023 that create significant rights and obligations.

We have subleased certain properties. Lease income from these subleases is recognized in the *Consolidated Statements of Comprehensive Income* as it is earned and is not material to our consolidated results of operations. We do not have any other significant transactions in which we are the lessor.

During fiscal 2023 and 2022, we committed to plans to vacate certain leased properties, which indicated that it was more likely than not that the fair value of the related ROU assets were below their carrying values. We assessed the recoverability of these assets using an undiscounted cash flow model and concluded that the carrying values of the assets were not fully recoverable. We recorded impairment charges of $4.3 million related to these assets using a discounted cash flow model to estimate their fair values in fiscal 2023. The fiscal 2023 impairment was related to the ABL segment. The impairments were recorded within *Special charges* in the *Consolidated Statements of Comprehensive Income*. See the *Special Charges* footnote of the *Notes to Consolidated Financial Statements* for further details on the fiscal 2023 impairment. The recoverability and impairment tests required significant assumptions including estimated future cash flows, the identification of assets within each asset group, and the determination of appropriate discount rates.

No impairments were recorded for leases in fiscal 2021.

Note 7 — Debt and Lines of Credit

Our debt is carried at the outstanding balance net of any related unamortized discounts and deferred costs and consists of the following as of the dates presented (in millions):

	August 31,	
	2023	2022
Senior unsecured public notes due December 2030, principal	$ 500.0	$ 500.0
Senior unsecured public notes due December 2030, unamortized discount and deferred costs	(4.4)	(5.0)
Short-term borrowings under credit facility	—	18.0
Total debt	$ 495.6	$ 513.0

Our next scheduled future principal payment of long-term debt is $500.0 million due upon the maturity of the senior unsecured notes in December 2030.

Long-term Debt

On November 10, 2020, Acuity Brands Lighting, Inc. issued $500.0 million aggregate principal amount of 2.150% senior unsecured notes due December 15, 2030 (the "Unsecured Notes") at a price equal to 99.737% of their face value. Interest on the Unsecured Notes is paid semi-annually in arrears on June 15 and December 15 of each year. We recorded $4.8 million of deferred issuance costs related to the Unsecured Notes as a direct deduction from the face amount of the Unsecured Notes. These issuance costs are amortized over the 10-year term of the Unsecured Notes.

The Unsecured Notes are fully and unconditionally guaranteed on a senior unsecured basis by Acuity Brands, Inc. and ABL IP Holding LLC, a wholly-owned subsidiary of Acuity Brands, Inc.

Lines of Credit

On June 30, 2022, we entered into a credit agreement (the "Credit Agreement") with a syndicate of banks that provides us with a $600.0 million five-year unsecured revolving credit facility (the "Revolving Credit Facility") with the ability to request an additional $400.0 million of borrowing capacity. The Revolving Credit Facility replaced our previous credit agreement set to expire on June 30, 2022, the details of which can be found in the fiscal 2021 *Debt and Lines of Credit* footnote *of the Notes to Consolidated Footnotes* within our 2021 Annual Report on Form 10-K filed with the Securities and Exchange Commission on October 27, 2021.

The Revolving Credit Facility uses the Secured Overnight Financing Rate ("SOFR") as the applicable benchmark for U.S. Dollar borrowings and an applicable benchmark rate for non-U.S. Dollar borrowings as defined in the Credit Agreement. The applicable margin pricing grid mechanics are based on the better of our public credit ratings or our net leverage ratio and range from 0.80% to 1.20% for base rate borrowings and from 0.00% to 0.20% for floating rate advances. We are also required to pay certain fees in connection with the Credit Agreement, including administrative service fees and annual facility fees, which range from 0.075% to 0.175% of the aggregate $600.0 million remaining commitment of the lenders under the Credit Agreement.

The Credit Agreement contains a leverage ratio covenant ("Maximum Leverage Ratio") of total indebtedness to earnings before interest, tax, depreciation, and amortization ("EBITDA"), as such terms are defined in the Credit Agreement. These ratios are computed at the end of each fiscal quarter for the most recent 12-month period. The Credit Agreement generally allows for a Maximum Leverage Ratio of 3.75 (subject to temporary increase to 4.25 in the event of a significant acquisition) and allows netting of all unrestricted cash and cash equivalents against debt.

We had no short-term borrowings at August 31, 2023 and $18.0 million in short-term borrowings at August 31, 2022 outstanding under the Revolving Credit Facility.

We were in compliance with all financial covenants under the Credit Agreement as of August 31, 2023. At August 31, 2023, we had additional borrowing capacity under the Credit Agreement of $596.2 million under the most restrictive covenant in effect at the time, which represents the full amount of the Revolving Credit Facility less outstanding letters of credit of $3.8 million issued under the Revolving Credit Facility, primarily for securing collateral requirements under our casualty insurance premiums.

None of our existing debt instruments include provisions that would require an acceleration of repayments based solely on changes in our credit ratings. Borrowings and repayments on our Revolving Credit Facility with terms of three months or less are reported on a net basis on our *Consolidated Statements of Cash Flows*.

Note 8 — Commitments and Contingencies

Self-Insurance

Our policy is to self-insure up to certain limits traditional risks, including workers' compensation, comprehensive general liability, and auto liability. Our self-insured retention for each claim involving workers' compensation, comprehensive general liability (including product liability claims), and auto liability is limited per occurrence of such claims. A provision for claims under this self-insured program, based on our estimate of the aggregate liability for claims incurred, is revised and recorded annually. The estimate is derived from both internal and external sources including, but not limited to, our independent actuary. We are also self-insured up to certain limits for certain other insurable risks, primarily physical loss to property and business interruptions resulting from such loss lasting two days or more in duration. Insurance coverage is maintained for catastrophic property and casualty exposures, as

well as those risks required to be insured by law or contract. We are fully self-insured for certain other types of liabilities, including environmental, product recall, warranty, and patent infringement. The actuarial estimates are subject to uncertainty from various sources including, among others, changes in claim reporting patterns, claim settlement patterns, actual claims, judicial decisions, legislation, and economic conditions. Although we believe that the actuarial estimates are reasonable, significant differences related to the items noted above could materially affect our self-insurance obligations, future expense, and cash flows.

We are also self-insured for the majority of our medical benefit plans up to certain limits. We estimate our aggregate liability for claims incurred by applying a lag factor to our historical claims and administrative cost experience. The appropriateness of our lag factor is evaluated annually and revised as necessary.

Leases

We lease certain of our buildings and equipment under noncancellable lease agreements. Please refer to the *Leases* footnote of the *Notes to Consolidated Financial Statements* for additional information.

Collective Bargaining Agreements

Approximately 65% of our total work force is covered by collective bargaining agreements. Collective bargaining agreements representing approximately 57% of our work force will expire within one year, primarily due to annual negotiations of union contracts in Mexico.

Data Security Incidents

On December 14, 2022, a former associate filed a putative class action complaint against the Company in the United States District Court for the Northern District of Georgia on behalf of all persons whose personal information was compromised as a result of data security incidents we experienced in October 2020 and/or December 2021. On January 25, 2023, a second putative class action complaint was filed in the same venue by two other former associates.

Both complaints contain similar allegations and claim that the Company failed to exercise reasonable caution in securing and safeguarding associate information. On that basis, the complaints assert claims for negligence, breach of contract, breach of implied contract, unjust enrichment, breach of fiduciary duty, invasion of privacy, and breach of confidence. The plaintiffs seek class certification, monetary damages, certain injunctive relief regarding our data-security measures, additional credit-monitoring services, other equitable relief (including disgorgement), attorneys' fees, costs, and pre- and post-judgment interest.

The plaintiffs in both cases recently filed a notice of voluntary dismissal without prejudice of the suits in the Northern District of Georgia and refiled in state court. We continue to prepare our response strategy.

Estimating an amount or range of possible losses resulting from litigation proceedings is inherently difficult, particularly where the matters involve indeterminate claims for monetary damages and are in the early stages of the proceedings where key evidential and legal issues have not been resolved. In addition, we have received inquiries from, and it is also possible that investigations or other actions are taken by, state and/or federal agencies regarding the data security incidents and related data privacy matters. For these reasons, we are currently unable to predict the ultimate timing or outcome of or reasonably estimate the possible losses or a range of possible losses resulting from the matters described above. We have insurance, subject to certain terms and conditions, for these types of matters.

Litigation

We are subject to various other legal claims arising in the normal course of business, including patent infringement, employment matters, and product liability claims. Based on information currently available, it is the opinion of management that the ultimate resolution of pending and threatened legal proceedings will not have a material adverse effect on our financial condition, results of operations, or cash flows. However, in the event of unexpected future developments, it is possible that the ultimate resolution of any such matters, if unfavorable, could have a material adverse effect on our financial condition, results of operations, or cash flows in future periods. We establish estimated liabilities for legal claims when associated costs become probable and can be reasonably estimated. The actual costs of resolving legal claims may be substantially higher than the amounts accrued for such claims.

However, we cannot make a meaningful estimate of actual costs to be incurred that could possibly be higher or lower than the accrued amounts.

Environmental Matters

Our operations are subject to numerous comprehensive laws and regulations relating to the generation, storage, handling, transportation, and disposal of hazardous substances, as well as solid and hazardous wastes, and to the remediation of contaminated sites. In addition, permits and environmental controls are required for certain operations to limit air and water pollution, and these permits are subject to modification, renewal, and revocation by issuing authorities. On an ongoing basis, we invest capital and incur operating costs relating to environmental compliance. Environmental laws and regulations have generally become stricter in recent years. We are not aware of any pending legislation or proposed regulation related to environmental issues that would have a material adverse effect. The cost of responding to future changes may be substantial. We establish accruals for known environmental claims when the associated costs become probable and can be reasonably estimated. The actual cost of environmental issues may be substantially higher than that accrued due to difficulty in estimating such costs.

Guarantees and Indemnities

We are a party to contracts entered into in the normal course of business in which it is common for us to agree to indemnify third parties for certain liabilities that may arise out of or relate to the subject matter of the contract. In most cases, we cannot estimate the potential amount of future payments under these indemnities until events arise that would result in a liability under the indemnities.

Product Warranty and Recall Costs

Our products generally have a standard warranty term of five years that assure our products comply with agreed upon specifications. We record an accrual for the estimated amount of future warranty costs in accordance with ASC Topic 450, *Contingencies* (“ASC 450”) when the related revenue is recognized. Estimated future warranty and recall costs are primarily based on historical experience of identified warranty and recall claims. Estimated costs related to product warranty and recall costs outside of our historical experience, which could include significant product recalls or formal campaigns soliciting repair or return of a product, are accrued when they are deemed to be probable and can be reasonably estimated. Any estimated or actual loss recoveries that offset our costs and payments are reflected as assets and included within *Other current assets* or *Other long-term assets* based on the timing of receipt of recovery. Recoveries are recorded net of allowances for credit losses.

There can be no assurance that future warranty or recall costs will not exceed historical amounts, new technology products may not generate unexpected costs, and/or loss recoveries will not be fully collectible. If actual future warranty or recall costs exceed historical amounts or recoveries are no longer collectible, adjustments to our accruals and/or receivables may be warranted, which could have a material adverse impact on our results of operations and cash flows.

Estimated liabilities for product warranty and recall costs are included in *Other accrued liabilities* or *Other long-term liabilities* on the *Consolidated Balance Sheets* based upon when we expect to settle the incurred warranty. The following table summarizes changes in the estimated liabilities for product warranty and recall costs during the periods presented (in millions):

	Year Ended August 31,		
	2023	2022	2021
Beginning balance	$ 27.3	$ 20.3	$ 16.1
Warranty and recall costs[(1)]	47.0	52.4	32.3
Payments and other deductions[(1)]	(42.7)	(45.4)	(28.4)
Acquired warranty and recall liabilities	—	—	0.3
Ending balance	$ 31.6	$ 27.3	$ 20.3

[(1)] Amounts exclude any estimated or actual loss recoveries.

Note 9 — Segment Information

We present our financial results of operations for our two reportable segments, ABL and ISG, consistent with how our chief operating decision maker evaluates operating results, assesses performance, and allocates resources within the Company.

The accounting policies of our reportable segments are the same as those described in the *Significant Accounting Policies* footnote of the *Notes to Consolidated Financial Statements*. Corporate expenses that are primarily administrative in function and benefit the Company on an entity-wide basis are not allocated to segments. These include expenses related to governance, policy setting, compliance, and certain other shared services functions. Additionally, net interest expense, net miscellaneous expense (income), and income tax expense are not allocated to segments.

Beginning in fiscal 2023, we allocated special charges to operating segment information presented to the chief operating decision maker on a prospective basis. We allocated $25.0 million of the $26.9 million in special charges incurred during the year ended August 31, 2023 to the ABL segment; the remaining amounts of the fiscal 2023 charge were not allocated to a segment. We recorded no special charges during the year ended August 31, 2022. Special charges during the year ended August 31, 2021 of $3.3 million were not allocated to a segment.

Also beginning in fiscal 2023, we allocated certain working capital assets and capital expenditures to our segments primarily to assess each segment's contribution to our consolidated operating cash flows and capital expenditures. Segment assets include accounts receivable and inventory. Unallocated assets are presented in corporate as a reconciling item to our total consolidated assets. We have restated prior periods to reflect allocated assets and capital expenditures by segment at August 31, 2022 and 2021.

The following table presents financial information by operating segment for the periods presented (in millions):

	Year Ended August 31,		
	2023	2022	2021
Net sales:			
ABL	$ 3,722.8	$ 3,810.1	$ 3,287.3
ISG	252.7	216.1	190.0
Eliminations[(1)]	(23.3)	(20.1)	(16.3)
Total	$ 3,952.2	$ 4,006.1	$ 3,461.0
Operating profit (loss):			
ABL[(2)]	$ 509.5	$ 545.6	$ 476.2
ISG	32.1	22.7	9.9
Unallocated corporate amounts	(68.2)	(58.6)	(58.5)
Total	$ 473.4	$ 509.7	$ 427.6
Depreciation and amortization:			
ABL	$ 77.4	$ 79.3	$ 84.3
ISG	14.4	14.4	14.7
Unallocated corporate amounts	1.4	1.1	1.1
Total	$ 93.2	$ 94.8	$ 100.1
Segment assets:			
ABL	$ 870.1	$ 1,097.8	$ 925.3
ISG	53.7	53.8	45.2
Unallocated corporate amounts	2,484.7	2,328.6	2,604.6
Total	$ 3,408.5	$ 3,480.2	$ 3,575.1
Capital expenditures:			
ABL	$ 59.3	$ 51.7	$ 42.9
ISG	3.5	2.6	0.8
Unallocated corporate amounts	3.9	2.2	0.1
Total	$ 66.7	$ 56.5	$ 43.8

[(1)] These amounts represent intersegment sales. Profit on these sales eliminates within gross profit on a consolidated basis.

The following table reconciles operating profit by segment to income before income taxes (in millions):

	Year Ended August 31,		
	2023	2022	2021
Operating profit - ABL	$ 509.5	$ 545.6	$ 476.2
Operating profit - ISG	32.1	22.7	9.9
Unallocated corporate amounts	(68.2)	(58.6)	(58.5)
Operating profit	473.4	509.7	427.6
Interest expense, net	18.9	24.9	23.2
Miscellaneous expense (income), net	7.8	(9.1)	8.2
Income before income taxes	$ 446.7	$ 493.9	$ 396.2

During the fourth quarter of fiscal 2023, we recognized charges within our ABL segment of $14.0 million for trade name impairments, $4.1 million for employee severance costs, and $13.0 million for the collectability of a supplier warranty obligation owed to us for components we used in products manufactured and sold between 2017 and 2019.

Note 10 — Revenue Recognition

We recognize revenue when we transfer control of goods and services to our customers. Revenue is measured as the amount of consideration we expect to receive in exchange for goods and services and is recognized net of rebates, sales incentives, product returns, and discounts to customers. We allocate the expected consideration to be collected to each distinct performance obligation identified in a sale based on its standalone selling price. Sales and use taxes collected on behalf of governmental authorities are excluded from revenues.

Payment is generally due and received within 60 days from the point of sale. In some instances, such as for software as a service agreements, payment is made prior to the transfer of control of goods and services. Payment terms generally do not extend beyond one year, and we apply the significant financing component practical expedient within ASC Topic 606, *Revenue from Contracts with Customers* (“ASC 606”). Accruals for cash discounts to customers are estimated using the expected value method based on historical experience and are recorded as a reduction to sales.

Our standard terms and conditions of sale generally allow for the return of certain products within four months of the date of shipment. We also provide for limited product return rights to certain distributors and other customers, primarily for slow moving or damaged items subject to certain defined criteria. The limited product return rights generally allow customers to return resalable products purchased within a specified time period and subject to certain limitations, including, at times, when accompanied by a replacement order of equal or greater value. At the time revenue is recognized, we record a refund liability for the expected value of future returns primarily based on historical experience, specific notification of pending returns, or contractual terms with the respective customers. Although historical product returns generally have been within expectations, there can be no assurance that future product returns will not exceed historical amounts. A significant increase in product returns could have a material adverse impact on our operating results in future periods.

Refund liabilities recorded under ASC 606 relating to rights of return, cash discounts, and other miscellaneous credits to customers were $25.6 million and $28.0 million as of August 31, 2023 and 2022, respectively, and are reflected within *Other accrued liabilities* on the *Consolidated Balance Sheets*. Additionally, we recorded right of return assets for products expected to be returned to our distribution centers, which are included within *Prepayments and other current assets* on the *Consolidated Balance Sheets*. Such assets totaled $4.9 million and $3.7 million as of August 31, 2023 and 2022, respectively.

We also maintain one-time and ongoing promotions with our customers, which may include rebate, sales incentive, marketing, and trade-promotion programs with certain customers that require us to estimate and accrue the expected costs of such programs. These arrangements may include volume rebate incentives, cooperative marketing programs, merchandising of our products, introductory marketing funds for new products, and other trade-promotion activities conducted by the customer. Costs associated with these programs are generally estimated based on the most likely amount expected to be settled based on the context of the individual contract and are reflected within the *Consolidated Statements of Comprehensive Income* in accordance with ASC 606, which in most instances requires such costs to be recorded as reductions of revenue. Amounts due to our customers

associated with these programs totaled $31.6 million and $40.7 million as of August 31, 2023 and 2022, respectively, and are reflected within *Other accrued liabilities* on the *Consolidated Balance Sheets*.

Costs to obtain and fulfill contracts, such as sales commissions, are generally short-term in nature and are generally expensed as incurred.

Nature of Goods and Services

Products

Substantially all of the revenues for the periods presented were generated from short-term contracts with our customers to deliver only tangible goods such as luminaires, lighting controls, and controls for various building systems. We record revenue from these contracts when the customer obtains control of those goods. For sales designated free on board shipping point, control is transferred and revenue is recognized at the time of shipment. For sales designated free on board destination, customers take control and revenue is recognized when a product is delivered to the customer's delivery site.

Professional Services

We collect fees associated with training, installation, and technical support services, primarily related to the set up of our lighting and building technology solutions. We recognize revenue for these one-time services at the time the service is performed. We also sell certain service-type warranties that extend coverages for products beyond their base warranties. We account for service-type warranties as distinct performance obligations and recognize revenue for these contracts ratably over the life of the additional warranty period. We allocate transaction price to our service-type warranties largely based on expectations of cost plus margin based on our estimate of future claims. These estimates are subject to a higher level of estimation uncertainty than other estimates, as we have less experience in costs in the extended warranty period. Claims related to service-type warranties are expensed as incurred.

Software

Software sales include licenses for software, data usage fees, and software as a service arrangements, which generally extend for one year or less. We recognize revenue for software based on the contractual rights provided to a customer, which typically results in the recognition of revenue ratably over the contractual service period.

Shipping and Handling Activities

We account for all shipping and handling activities for customers as activities to fulfill the promise to transfer products to our customers. As such, we do not consider shipping and handling activities to be separate performance obligations, and we expense these costs as incurred.

Contracts with Multiple Performance Obligations

A small portion of our revenue was derived from the combination of any or all of our products, professional services, and software licenses. Significant judgment may be required to determine which performance obligations are distinct and should be accounted for separately. We allocate the expected consideration to be collected to each distinct performance obligation based on its standalone selling price. Standalone selling price is generally determined using a cost plus margin valuation when no observable input is available. The amount of consideration allocated to each performance obligation is recognized as revenue in accordance with the timing for products, professional services, and software as described above.

Contract Balances

Our rights related to collections from customers are unconditional and are reflected within *Accounts receivable* on the *Consolidated Balance Sheets*. We do not have any other significant contract assets. Contract liabilities arise when we receive cash or an unconditional right to collect cash prior to the transfer of control of goods or services.

The amount of transaction price from contracts with customers allocated to our contract liabilities consist of the following as of the dates presented (in millions):

	August 31,	
	2023	2022
Current deferred revenues	$ 14.1	$ 11.4
Non-current deferred revenues	47.6	53.1

Current deferred revenues primarily consist of software licenses as well as professional service and service-type warranty fees collected prior to performing the related service and are included within *Other current liabilities* on the *Consolidated Balance Sheets*. These services are expected to be performed within one year. Revenue earned from beginning contract balances during the year ended August 31, 2023 approximated the current deferred revenue balance at August 31, 2022.

Non-current deferred revenues primarily consist of long-term service-type warranties, which are typically recognized ratably as revenue between five years and ten years from the date of sale, and are included within *Other long-term liabilities* on the *Consolidated Balance Sheets.*

Unsatisfied performance obligations that do not represent contract liabilities are expected to be satisfied within one year from August 31, 2023 and consist primarily of orders for physical goods that have not yet been shipped.

Disaggregated Revenues

Our ABL segment's lighting and lighting controls are sold primarily through independent sales agents who cover specific geographic areas and market channels, by internal sales representatives, through consumer retail channels, directly to large corporate accounts, and through other distribution methods, including directly to OEM customers. ISG sells predominantly to system integrators. The following table shows revenue from contracts with customers by sales channel and reconciles to our segment information for the periods presented (in millions):

	Year Ended August 31,		
	2023	2022	2021
ABL:			
Independent sales network	$ 2,671.0	$ 2,714.1	$ 2,400.5
Direct sales network	414.4	384.2	358.1
Retail sales	194.9	178.3	181.5
Corporate accounts	200.3	222.7	168.7
OEM and other	242.2	310.8	178.5
Total ABL	3,722.8	3,810.1	3,287.3
ISG	252.7	216.1	190.0
Eliminations	(23.3)	(20.1)	(16.3)
Total	$ 3,952.2	$ 4,006.1	$ 3,461.0

Note 11 — Share-based Payments

Omnibus Stock Compensation Incentive and Directors' Equity Plans

In January 2022, our stockholders approved the Amended and Restated Acuity Brands, Inc. 2012 Omnibus Stock Compensation Incentive Plan (the "Stock Incentive Plan"), which, among other things, increased the total number of shares authorized for issuance pursuant to the Stock Incentive Plan from 2.7 million to 3.6 million, with a corresponding increase to shares available for grant. The Compensation and Management Development Committee of the Board of Directors (the "Compensation Committee") is authorized to issue awards consisting of incentive and non-qualified stock options, stock appreciation rights, restricted stock awards, restricted stock units, performance stock awards, performance stock units, stock bonus awards, and cash-based awards to eligible employees, non-employee directors, and outside consultants.

Shares available for grant under the Stock Incentive Plan were approximately 1.0 million, 1.1 million, and 0.3 million at August 31, 2023, 2022, and 2021, respectively. Any shares subject to an award under the Stock Incentive Plan

that are forfeited, canceled, expired, or settled for cash will be available for future grant under the Stock Incentive Plan.

Our share-based payment awards are valued based on their grant date fair values as described further below. We recognize compensation cost for share-based payment transactions in accordance with ASC 718. For most of our awards, compensation cost is recognized on a straight-line basis over the award's requisite service period. We apply the accelerated attribution method in certain circumstances, such as when a performance stock unit is subject to graded vesting. For awards subject to a market condition, we consider both actual and derived service periods, as well as the expected performance period, to determine the appropriate compensation recognition method.

Compensation expense recognized related to the awards under the current and prior equity incentive plans during the periods presented is summarized as follows (in millions):

	Year Ended August 31,		
	2023	2022	2021
Restricted stock awards and units	$ 19.6	$ 17.2	$ 15.1
Performance stock units	15.2	9.9	6.8
Stock options	5.7	8.8	9.2
Director stock units	1.5	1.5	1.4
Total share-based payment expense	$ 42.0	$ 37.4	$ 32.5

Restricted Stock

As of August 31, 2023, we had approximately 0.3 million shares outstanding of restricted stock to officers, directors, and other key employees under the Stock Incentive Plan. Grants awarded prior to fiscal 2022 vest primarily over a four-year period, and grants awarded beginning in fiscal 2022 vest primarily over a three-year period. Our restricted stock grants are valued at the closing stock price on the date of the grant.

Activity related to restricted stock awards during the periods presented was as follows (in millions, except per share data):

	Number of Shares	Weighted Average Grant Date Fair Value Per Share
Outstanding at August 31, 2020	0.4	$ 134.68
Granted	0.2	$ 108.79
Vested	(0.1)	$ 150.44
Forfeited	(0.1)	$ 116.33
Outstanding at August 31, 2021	0.4	$ 116.77
Granted	0.1	$ 204.36
Vested	(0.1)	$ 122.27
Forfeited	(0.1)	$ 131.08
Outstanding at August 31, 2022	0.3	$ 144.51
Granted	0.2	$ 175.23
Vested	(0.1)	$ 140.85
Forfeited	(0.1)	$ 163.37
Outstanding at August 31, 2023	0.3	$ 159.33

* Represents shares of less than 0.1 million.

As of August 31, 2023, there was $31.8 million of total unrecognized compensation cost related to unvested restricted stock, which is expected to be recognized over a weighted-average period of 1.3 years. The total fair

value of stock vested during the years ended August 31, 2023, 2022, and 2021 was approximately $19.9 million, $16.4 million, and $19.5 million, respectively.

Performance Stock Units

As of August 31, 2023, we had approximately 0.2 million performance stock units outstanding to officers, directors, and other key employees under the Stock Incentive Plan. Our performance stock units vest primarily over a three-year period.

For most of these grants, the actual number of performance stock units earned for these awards will be determined at the end of the related performance period based on the level of achievement of established performance thresholds. Such grants are valued at the closing stock price of the grant. We recognize compensation expense for these grants proportionately over the requisite service period for each employee when it becomes probable that the performance metric will be satisfied.

A small subset of our performance stock units granted in fiscal 2023 have a payout based on a total shareholder return relative to a peer group index over a three-year period. These awards are valued using a Monte-Carlo simulation and are expensed over the longer of the requisite service period and the derived service period. Stock compensation may be accelerated if a market condition is met prior to the derived service period lapsing. All inputs into the Monte Carlo simulation are estimates made at the time of grant, which are summarized in the table below. Actual realized value of each award could materially differ from these estimates, without impact to future reported net income. Dividends were assumed to be reinvested on the ex-dividend date for us and peer companies. Expected volatility was based on historical volatility of our stock as well as our peer group. The risk-free interest rate was based on the U.S. Treasury yield consistent with the derived performance period.

	2023
Dividend yield	—%
Expected volatility	46.7%
Risk-free interest rate	4.5%
Fair value of awards	$254.19

Activity related to performance stock units during the periods presented was as follows (in millions, except per share data):

	Number of Shares		Weighted Average Grant Date Fair Value Per Share
Outstanding at August 31, 2020	0.1		$ 124.29
Granted	0.1		$ 91.34
Forfeited	—	*	$ 104.34
Outstanding at August 31, 2021	0.2		$ 109.99
Granted	—	*	$ 207.02
Forfeited	—	*	$ 113.51
Outstanding at August 31, 2022	0.2		$ 145.46
Granted	0.1		$ 186.78
Vested	(0.1)		$ 124.29
Forfeited	—	*	$ 195.67
Outstanding at August 31, 2023	0.2		$ 171.01

* Represents shares of less than 0.1 million.

As of August 31, 2023 there was $11.7 million of total unrecognized compensation cost related to unvested performance stock units. This cost is expected to be recognized over a weighted-average period of approximately 1.4 years. The total fair value of performance units vested during the year ended August 31, 2023 was approximately $11.5 million. No awards vested during the years ended August 31, 2022 or 2021, respectively.

Stock Options

As of August 31, 2023, we had approximately 1.0 million options outstanding to officers as well as other key current and former employees under the Stock Incentive Plan, all of which were granted in previous fiscal years. Of these options 0.3 million were granted in fiscal 2021 and become exercisable over a four-year period. These options are also subject to a market condition (the "Market Options"). Options issued under the Stock Incentive Plan are generally granted with an exercise price equal to the fair market value of our stock on the date of grant, but never less than the fair market value on the grant date, and expire 10 years from the date of grant.

The fair value of each Market Option was estimated on the date of grant using the Monte Carlo simulation model. The dividend yield was calculated based on annual dividends paid and the trailing 12-month average closing stock price at the time of grant. Expected volatility was based on historical volatility of our stock, calculated using the most recent time period equal to the expected life of the options. The risk-free interest rate was based on the U.S. Treasury yield for a term equal to the contractual term for the Market Options. The expected life of the Market Options is based on projected exercise dates resulting from the Monte Carlo simulation for each award tranche. All inputs noted above are estimates made at the time of grant. All inputs into the Monte Carlo simulation are estimates made at the time of grant. Actual realized value of each option grant could materially differ from these estimates, without impact to future reported net income.

The following weighted average assumptions were used to estimate the fair value of the stock options granted in the fiscal year presented:

	Market Options
	2021
Dividend yield	0.5%
Expected volatility	36.5%
Risk-free interest rate	0.7%
Expected life of options	8 years
Weighted-average fair value of options	$40.45

Stock option activity during the periods presented was as follows:

	Outstanding		Exercisable	
	Number of Options (in millions)	Weighted Average Exercise Price	Number of Options (in millions)	Weighted Average Exercise Price
Outstanding at August 31, 2020	0.9	$ 133.19	0.4	$ 151.07
Granted	0.3	$ 108.96		
Exercised	— *	$ 108.58		
Outstanding at August 31, 2021	1.2	$ 127.98	0.5	$ 142.36
Exercised	(0.1)	$ 88.94		
Outstanding at August 31, 2022	1.1	$ 132.50	0.6	$ 143.15
Exercised	— *	$ 126.92		
Forfeitures	(0.1)	$ 227.15		
Outstanding at August 31, 2023	1.0	$ 131.81	0.9	$ 135.91
Range of option exercise prices:				
$100.00 - $160.00 (average life - 6.2 years)	0.8	$ 119.24	0.7	$ 121.22
$160.01 - $210.00 (average life - 2.2 years)	0.1	$ 207.80	0.1	$ 207.80
$210.01 - $239.76 (average life - 3.1 years)	0.1	$ 239.76	0.1	$ 239.76

* Represents amounts of less than 0.1 million.

The total intrinsic value of options exercised during the years ended August 31, 2023, 2022, and 2021 was approximately $0.5 million, $14.0 million, and $1.2 million, respectively. As of August 31, 2023, the total intrinsic value of options outstanding was $37.9 million, the total intrinsic value of options expected to vest was $8.3 million, and the total intrinsic value of options exercisable was $29.6 million. As of August 31, 2023, there was $3.2 million of total unrecognized compensation cost related to unvested options. This cost is expected to be recognized over a weighted-average period of approximately 1.2 years.

Employee Deferred Stock Units

We previously allowed employees to defer a portion of restricted stock awards granted in fiscal 2003 and fiscal 2004 into the SDSP as stock units. The stock units are payable in shares of stock at the time of distribution from the SDSP. As of August 31, 2023, approximately 4,000 fully vested stock units remain deferred, but undistributed, under the Stock Incentive Plan. There was no compensation expense related to these stock units during fiscal years 2023, 2022, and 2021.

Director Deferred Stock Units

In January 2022, the total remaining shares available for issuance under the Director Plan were transferred into the Stock Incentive Plan. As of August 31, 2023, approximately 45,000 stock units were deferred but undistributed under the Director Plan.

Employee Stock Purchase Plan

Employees are able to purchase, through payroll deduction, common stock at a 5% discount on a monthly basis. There were 1.5 million shares of our common stock reserved for purchase under the plan, of which approximately 1.0 million shares remain available as of August 31, 2023. Employees may participate at their discretion.

Note 12 — Pension and Defined Contribution Plans

Company-sponsored Pension Plans

We have several pension plans, both qualified and non-qualified, covering certain hourly and salaried employees.

Benefits paid under these plans are based generally on employees' years of service and/or compensation during the final years of employment. We historically have made at least the minimum annual contributions to the plans to the extent indicated by actuarial valuations and statutory requirements. Plan assets are invested primarily in fixed income and equity securities. Current period net actuarial gains in our projected benefit obligation primarily reflect an increase in the discount rate from our prior year valuation.

The following tables reflect the status of our domestic (U.S.-based) and international pension plans as of the dates presented (in millions):

	Domestic Plans		International Plans	
	August 31,		August 31,	
	2023	2022	2023	2022
Change in benefit obligation:				
Benefit obligation at beginning of year	$ 176.0	$ 224.7	$ 31.5	$ 52.6
Service cost	3.8	4.4	0.8	0.4
Interest cost	7.4	5.3	1.6	0.9
Actuarial gains	(16.2)	(43.1)	(1.2)	(17.1)
Benefits paid	(11.2)	(15.3)	(1.9)	(2.1)
Other	—	—	3.8	(3.2)
Benefit obligation at end of year	159.8	176.0	34.6	31.5
Change in plan assets:				
Fair value of plan assets at beginning of year	141.5	182.6	28.5	42.2
Actual return on plan assets	(1.3)	(33.6)	(5.2)	(11.6)
Employer contributions	3.7	7.8	7.9	3.0
Benefits paid	(11.2)	(15.3)	(1.9)	(2.1)
Other	—	—	2.8	(3.0)
Fair value of plan assets at end of year	132.7	141.5	32.1	28.5
Funded status at the end of year	$ (27.1)	$ (34.5)	$ (2.5)	$ (3.0)
Amounts recognized in the consolidated balance sheets consist of:				
Non-current assets	$ 10.1	$ 7.6	$ 2.3	$ 0.4
Current liabilities	(3.4)	(3.9)	(0.2)	(0.2)
Non-current liabilities	(33.8)	(38.2)	(4.6)	(3.2)
Net amount recognized in consolidated balance sheets	$ (27.1)	$ (34.5)	$ (2.5)	$ (3.0)
Accumulated benefit obligation	$ 158.9	$ 175.3	$ 31.9	$ 31.3
Pre-tax amounts in accumulated other comprehensive loss:				
Prior service cost	$ (0.1)	$ (2.7)	$ (0.1)	$ (0.1)
Net actuarial loss	(44.3)	(54.2)	(13.4)	(6.5)
Amounts in accumulated other comprehensive loss	$ (44.4)	$ (56.9)	$ (13.5)	$ (6.6)
Pensions plans in which benefit obligation exceeds plan assets:				
Projected benefit obligation	$ 37.2	$ 42.1	$ 5.6	$ 3.4
Accumulated benefit obligation	36.3	41.4	3.5	2.3
Plan assets	—	—	0.8	—
Pensions plans in which plan assets exceed benefit obligation:				
Projected benefit obligation	$ 122.6	$ 133.9	$ 29.0	$ 28.1
Accumulated benefit obligation	122.6	133.9	28.4	29.0
Plan assets	132.7	141.5	31.3	28.5

Service cost of net periodic pension cost is allocated between *Cost of products sold,* and may be capitalized into inventory as labor costs, and *Selling, distribution, and administrative expenses* in the *Consolidated Statements of Comprehensive Income* based on the function of the employee's services. All other components of net periodic pension cost are included within *Miscellaneous (income) expense, net* in the *Consolidated Statements of Comprehensive Income*. We utilize a corridor approach to amortize cumulative unrecognized actuarial gains or losses over either the average expected future service of active participants or average life expectancy of plan participants based on each plan's composition. The corridor is determined as the greater of the excess of 10% of plan assets or the projected benefit obligation at each valuation date. Amounts related to prior service cost are amortized over the average remaining expected future service period for active participants in each plan.

Net periodic pension cost during the periods presented included the following components before tax (in millions):

	Domestic Plans			International Plans		
	2023	2022	2021	2023	2022	2021
Service cost	$ 3.8	$ 4.4	$ 4.6	$ 0.8	$ 0.4	$ 0.3
Interest cost	7.4	5.3	5.3	1.6	0.9	0.9
Expected return on plan assets	(7.5)	(11.2)	(11.0)	(2.1)	(2.6)	(2.3)
Amortization of prior service cost	2.6	2.9	2.9	—	—	—
Settlement	—	0.4	3.9	—	—	—
Recognized actuarial loss	2.4	2.4	4.1	0.6	0.9	1.4
Net periodic pension cost	$ 8.7	$ 4.2	$ 9.8	$ 0.9	$ (0.4)	$ 0.3

Weighted average assumptions used in computing the benefit obligation are as follows:

	Domestic Plans		International Plans	
	2023	2022	2023	2022
Discount rate	5.1 %	4.4 %	5.9 %	4.9 %
Rate of compensation increase	5.0 %	5.0 %	3.5 %	3.5 %

Weighted average assumptions used in computing net periodic pension cost are as follows:

	Domestic Plans			International Plans		
	2023	2022	2021	2023	2022	2021
Discount rate	4.4 %	2.4 %	2.2 %	4.9 %	1.9 %	1.9 %
Expected return on plan assets	5.5 %	6.3 %	6.8 %	6.4 %	6.4 %	6.5 %
Rate of compensation increase	5.0 %	5.0 %	5.0 %	3.5 %	3.4 %	3.4 %

It is our policy to adjust, on an annual basis, the discount rate used to determine the projected benefit obligation to approximate rates on high-quality, long-term obligations based on our estimated benefit payments available as of the measurement date. We use published yield curves to assist in the development of our discount rates. We estimate that a 100 basis point increase in the discount rate would reduce net periodic pension cost approximately $0.5 million for the domestic plans and $0.6 million for the international plans. The expected return on plan assets is derived primarily from a periodic study of long-term historical rates of return on the various asset classes included in our targeted pension plan asset allocation as well as future expectations. We estimate that each 100 basis point reduction in the expected return on plan assets would result in additional net periodic pension cost of $1.4 million and $0.3 million for domestic plans and international plans, respectively. We also evaluate the rate of compensation increase annually and adjust if necessary.

Our investment objective for domestic plan assets is to earn a rate of return sufficient to exceed the long-term growth of the plans' liabilities without subjecting plan assets to undue risk. The plan assets are invested primarily in high quality debt and equity securities. We conduct a periodic strategic asset allocation study to form a basis for the allocation of pension assets between various asset categories. Specific allocation percentages are assigned to each asset category with minimum and maximum ranges established for each. The assets are then managed within these ranges. At August 31, 2023, the U.S. targeted asset allocation was 20% equity securities, 75% fixed income securities, and 5% real estate securities. Our investment objective for the international plan assets is also to add value by exceeding the long-term growth of the plans' liabilities. At August 31, 2023, the international asset target allocation approximated 20% equity securities, 30% fixed income securities, and 50% multi-strategy investments.

Our pension plan asset allocation by asset category as of the dates presented is as follows:

	% of Plan Assets			
	Domestic Plans		International Plans	
	2023	2022	2023	2022
Equity securities	18.3 %	31.6 %	17.6 %	16.8 %
Fixed income securities	75.0 %	61.2 %	53.3 %	22.8 %
Multi-strategy investments	— %	— %	29.1 %	60.4 %
Real estate	6.7 %	7.2 %	— %	— %
Total	100.0 %	100.0 %	100.0 %	100.0 %

Our pension plan assets are stated at fair value based on quoted market prices in an active market, quoted redemption values, or estimates based on reasonable assumptions as of the most recent measurement period. See the *Fair Value Measurements* footnote for a description of the fair value guidance. No transfers between the levels of the fair value hierarchy occurred during the current fiscal period. In the event of a transfer in or out of a level within the fair value hierarchy, the transfers would be recognized on the date of occurrence. Certain pension assets valued at net asset value (“NAV”) per share as a practical expedient are excluded from the fair value hierarchy. Investments in pension plan assets as of August 31, 2023 are described in further detail below.

Short-term Fixed Income Investments

Short-term investments consist of money market funds, which are valued at the daily closing price as reported by the relevant fund (Level 1).

Mutual Funds

Mutual funds held by the domestic plans are open-end mutual funds that are registered with the Securities and Exchange Commission (“SEC”) and seek to either replicate or outperform a related index. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by the domestic plans are deemed to be actively traded (Level 1).

Collective Trust

The collective trust seeks to outperform the overall small-cap stock market and is comprised primarily of small-cap equity securities with quoted prices in active markets for identical investments. The value of this fund is calculated on each business day based on its daily net asset value; however, the collective trust is not deemed to be actively traded (Level 2).

Fixed Income Investments

The fixed income investment seeks to maximize total return by investing primarily in a diversified portfolio of investment-grade fixed income securities, primarily publicly traded corporate bonds as well as U.S. government and municipal bonds. The investment is valued on each business day based on the values of the underlying holdings and is not actively traded (Level 2).

U.S. Treasury Investments

The domestic plans hold several fixed-income U.S. Treasury securities that are valued based on discounted future cash flows using rates currently available for debt of similar terms and maturity (Level 2)

Real Estate Fund

The real estate fund invests primarily in commercial real estate and includes mortgage loans that are backed by the associated property's investment objective. The fund seeks real estate returns, risk, and liquidity appropriate to a core fund. The fund also seeks to provide current income with the potential for long-term capital appreciation. This investment is valued based on the NAV per share, without further adjustment. The NAV, as provided by the fund's trustee, is used as a practical expedient to estimate fair value and is therefore excluded from the fair value

hierarchy. NAV is based on the fair value of the underlying investments. Investors may request to redeem all or any portion of their shares on a quarterly basis. Each investor must provide a written redemption request at least sixty days prior to the end of the quarter for which the request is to be effective. If insufficient funds are available to honor all redemption requests at any point in time, available funds will be allocated pro-rata based on the total number of shares held by each investor. All decisions regarding whether to honor redemption requests are made by the fund's board of directors.

The following tables present the fair value of the domestic pension plan assets by major category as of the dates presented (in millions):

		Fair Value Measurements		
	Fair Value as of August 31, 2023	Quoted Market Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets included in the fair value hierarchy:				
Fixed-income investments	$ 58.2	$ —	$ 58.2	$ —
US Treasury investments	36.9	—	36.9	—
Mutual funds:				
Domestic large cap equity fund	13.0	13.0	—	—
Foreign equity fund	6.5	6.5	—	—
Collective trust: Domestic small cap equities	4.8	—	4.8	—
Short-term fixed income investments	4.4	4.4	—	—
Total assets in the fair value hierarchy	123.8			
Assets calculated at net asset value:				
Real estate fund	8.9			
Total assets at net asset value	8.9			
Total assets at fair value	$ 132.7			

		Fair Value Measurements		
	Fair Value as of August 31, 2022	Quoted Market Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets included in the fair value hierarchy:				
Mutual funds:				
Domestic large cap equity fund	$ 23.7	$ 23.7	$ —	$ —
Foreign equity fund	12.6	12.6	—	—
Collective trust: Domestic small cap equities	8.4	—	8.4	—
Short-term fixed income investments	2.1	2.1	—	—
Total assets in the fair value hierarchy	46.8			
Assets calculated at net asset value:				
Fixed-income investments	84.5			
Real estate fund	10.2			
Total assets at net asset value	94.7			
Total assets at fair value	$ 141.5			

International Plan Investments

The international plans' assets consist primarily of funds invested in equity securities, multi-strategy investments, and fixed income investments. These securities are calculated using the values of the underlying holdings (i.e. significant observable inputs) but do not have quoted prices in active markets (Level 2). The short-term fixed income investments represents cash and cash equivalents held by the funds at fiscal year end (Level 1). The following tables present the fair value of the international pension plan assets by major category as of the dates presented (in millions):

		Fair Value Measurements		
	Fair Value as of August 31, 2023	Quoted Market Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets included in the fair value hierarchy:				
Equity securities	$ 5.2	$ —	$ 5.2	$ —
Short-term fixed income investments	7.1	7.1	—	—
Multi-strategy investments	11.0	—	11.0	—
Fixed-income investments	8.8	—	8.8	—
Total assets at fair value	$ 32.1			

		Fair Value Measurements		
	Fair Value as of August 31, 2022	Quoted Market Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets included in the fair value hierarchy:				
Equity securities	$ 4.8	$ —	$ 4.8	$ —
Short-term fixed income investments	0.3	0.3	—	—
Multi-strategy investments	17.2	—	17.2	—
Fixed-income investments	6.2	—	6.2	—
Total assets at fair value	$ 28.5			

We do not expect to contribute to the domestic qualified plans in fiscal 2024 based on the funded status of the plans as well as current legal minimum funding requirements. We expect to contribute approximately $0.3 million during fiscal 2024 to our international defined benefit plans. These amounts are based on the total contributions required during fiscal 2024 to satisfy current legal minimum funding requirements for qualified plans and estimated benefit payments for non-qualified plans.

Benefit payments are made primarily from funded benefit plan trusts. Benefit payments are expected to be paid as follows during the years ending August 31 (in millions):

	Domestic Plans	International Plans
2024	$ 11.7	$ 1.7
2025	12.5	1.8
2026	14.2	1.9
2027	13.2	2.1
2028	12.4	2.3
2029-2033	62.3	15.0

Multi-employer Pension Plans

We have contributed to two multi-employer defined benefit pension plans under the terms of collective-bargaining agreements that cover certain of our union-represented employees. The risks of participating in these multi-employer plans are different from single-employer plans in the following aspects:

- Assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers.
- If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be shared by the remaining participating employers.
- If a participating employer chooses to stop participating in some of its multi-employer plans, the employer may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

Our contributions to these plans were $0.5 million for the years ended August 31, 2023 and 2022, and $0.6 million for the year ended August 31, 2021.

Defined Contribution Plans

We have defined contribution plans to which both employees and we make contributions. Employer matching amounts are allocated in accordance with the participants' investment elections for elective deferrals and totaled $11.1 million, $10.5 million, and $8.4 million for the years ended August 31, 2023, 2022, and 2021, respectively. At August 31, 2023, assets of the domestic defined contribution plans included shares of our common stock with a market value of approximately $6.9 million, which represented approximately 1.5% of the total fair market value of the assets in our domestic defined contribution plans.

Note 13 — Special Charges

During the year ended August 31, 2023, we recognized pre-tax special charges of $26.9 million, which primarily included impairment charges of indefinite-lived intangible assets; impairments of certain retained assets associated with our previously owned Sunoptics prismatic skylights business that were not transferred in connection with the sale; and severance and employee-related costs in connection with the Sunoptics divestiture as well as streamlining activities initiated during the fourth quarter of fiscal 2023. We recognized no special charges during the year ended August 31, 2022.

The details of the special charges during the periods presented are summarized as follows (in millions):

	Year Ended August 31,	
	2023	2021
Trade name impairment charges	$ 14.0	$ —
Severance and employee-related costs	7.7	1.7
Operating lease asset group impairment charge	4.3	—
Other restructuring costs	0.9	1.6
Total special charges	$ 26.9	$ 3.3

As of August 31, 2023, remaining accruals related to special charges totaled $5.2 million and are included in *Accrued compensation* in the *Consolidated Balance Sheets*. These amounts related to unpaid severance and employee-related costs from our fourth quarter fiscal 2023 actions.

Note 14 — Common Stock and Related Matters

Common Stock

Changes in common stock during the periods presented were as follows (amounts and shares in millions):

	Common Stock	
	Shares	Amount (At par)
Balance at August 31, 2020	53.9	$ 0.5
Vesting of share-based payment awards	0.1	—
Stock options exercised	— *	—
Balance at August 31, 2021	54.0	0.5
Vesting of share-based payment awards	0.1	—
Stock options exercised	0.1	—
Balance at August 31, 2022	54.2	0.5
Vesting of share-based payment awards	0.2	—
Stock options exercised	— *	—
Balance at August 31, 2023	54.4	$ 0.5

* Represents shares of less than 0.1 million.

As of August 31, 2023 and 2022, we had 23.4 million and 21.8 million of repurchased shares, respectively, recorded as treasury stock at an original repurchase cost of $2.44 billion and $2.18 billion, respectively.

During fiscal 2023, we repurchased approximately 1.6 million shares of our outstanding common stock. As of August 31, 2023, the maximum number of shares that may yet be repurchased under the share repurchase program authorized by the Board equaled 1.2 million shares. We may repurchase shares of our common stock from time to time at prevailing market prices, depending on market conditions, through open market or privately negotiated transactions.

Preferred Stock

We have 50 million shares of preferred stock authorized. No shares of preferred stock were issued in fiscal 2023 or 2022, and no shares of preferred stock are outstanding.

Earnings per Share

Basic earnings per share for the periods presented is computed by dividing net earnings available to common stockholders by the weighted average number of common shares outstanding for these periods. Diluted earnings per share is computed similarly but reflects the potential dilution that would occur if dilutive options were exercised, unvested share-based payment awards were vested, and other distributions related to deferred stock agreements were incurred. Common stock equivalents are calculated using the treasury stock method. The dilutive effects of share-based payment awards subject to market and/or performance conditions that were not met during the period are excluded from the computation of diluted earnings per share.

The following table calculates basic earnings per common share and diluted earnings per common share during the periods presented (in millions, except per share data):

	Year Ended August 31,		
	2023	**2022**	**2021**
Net income	$ 346.0	$ 384.0	$ 306.3
Basic weighted average shares outstanding	31.806	34.182	36.284
Common stock equivalents	0.358	0.463	0.270
Diluted weighted average shares outstanding	32.164	34.645	36.554
Basic earnings per share[(1)]	$ 10.88	$ 11.23	$ 8.44
Diluted earnings per share[(1)]	$ 10.76	$ 11.08	$ 8.38

[(1)] Earnings per share is calculated using unrounded numbers. Amounts in the table may not recalculate exactly due to rounding.

The following table presents stock options, restricted stock awards, and performance stock units that were excluded from the diluted earnings per share calculation for the periods presented as the effect of inclusion would have been antidilutive (in millions):

	Year Ended August 31,		
	2023	**2022**	**2021**
Stock options	0.1	0.1	0.8
Restricted stock awards	0.1	0.1	— *
Performance stock units	— *	—	—

* Represents shares of less than 0.1 million.

Note 15 — Income Taxes

We account for income taxes using the asset and liability approach as prescribed by ASC Topic 740, *Income Taxes* ("ASC 740"). This approach requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Using the enacted tax rates in effect for the year in which the differences are expected to reverse, deferred tax liabilities and assets are determined based on the differences between the financial reporting and the tax basis of an asset or liability.

On August 16, 2022, the Inflation Reduction Act ("IRA") was signed into law in the United States. Among other provisions, the IRA includes a 15% corporate alternative minimum tax rate applicable for our fiscal 2024 taxable year as well as a 1% federal excise tax on corporate stock repurchases made after December 31, 2022, which we account for as an increase to the cost basis of our share repurchases. The IRA has not had, and we do not expect it to have, a material impact on our financial condition, results of operations, or cash flows.

Internal Revenue Code ("IRC") Section 174 was enacted as part of the Tax Cuts and Jobs Act of 2017 ("TCJA"). IRC Section 174, which became effective for us during fiscal 2023, requires us to capitalize research and development expenditures and amortize them on our U.S. tax return over five or fifteen years, depending on where research is conducted. The year over year change in both our provision for current federal taxes and provision for (benefit from) deferred taxes relates principally to the application of IRC Section 174.

The provision for income taxes consists of the following components during the periods presented (in millions):

	Year Ended August 31,		
	2023	2022	2021
Provision for current federal taxes	$ 105.8	$ 67.6	$ 65.4
Provision for current state taxes	15.7	16.3	12.8
Provision for current foreign taxes	27.0	25.4	14.4
(Benefit from) provision for deferred taxes	(47.8)	0.6	(2.7)
Total provision for income taxes	$ 100.7	$ 109.9	$ 89.9

The following table reconciles the provision at the federal statutory rate to the total provision for income taxes during the periods presented (in millions):

	Year Ended August 31,		
	2023	2022	2021
Federal income tax computed at statutory rate	$ 93.8	$ 103.7	$ 83.2
State income tax, net of federal income tax benefit	11.4	13.5	10.7
Federal permanent differences	2.2	(4.3)	0.6
Foreign permanent differences and rate differential	4.4	4.3	2.4
Research and development tax credits	(8.3)	(7.6)	(7.6)
Unrecognized tax benefits	1.9	2.1	0.7
Other, net	(4.7)	(1.8)	(0.1)
Total provision for income taxes	$ 100.7	$ 109.9	$ 89.9

Components of the net deferred income tax liabilities as of the dates presented include (in millions):

	August 31,	
	2023	2022
Deferred income tax liabilities:		
Depreciation	$ (21.5)	$ (18.6)
Goodwill and intangibles	(151.2)	(154.2)
Operating lease right of use assets	(19.8)	(18.3)
Other liabilities	(3.4)	(7.4)
Total deferred income tax liabilities	(195.9)	(198.5)
Deferred income tax assets:		
Self-insurance	1.7	1.6
Pension	5.9	7.1
Deferred compensation	23.1	22.2
Net operating losses	6.2	5.8
Other accruals not yet deductible	43.4	42.9
Operating lease liabilities	22.6	20.3
Capitalized research and development	41.5	—
Other assets	15.4	9.3
Total deferred income tax assets	159.8	109.2
Valuation allowance	(19.9)	(11.5)
Net deferred income tax liabilities	$ (56.0)	$ (100.8)

As of August 31, 2023, the estimated undistributed earnings from foreign subsidiaries was $255.8 million. We have recorded a deferred income tax liability of $0.7 million for certain foreign withholding taxes and U.S. taxes related to foreign earnings for which we do not assert indefinite reinvestment. With respect to unremitted earnings and original investments in foreign subsidiaries where we are continuing to assert indefinite reinvestment, any future remittances could be subject to additional foreign withholding taxes, U.S. state taxes, and certain tax impacts relating to foreign currency exchange effects. It is not practicable to estimate the amount of any unrecognized tax effects on these reinvested earnings and original investments in foreign subsidiaries. We account for the tax on Global Intangible Low-Taxed Income ("GILTI") as a period cost and, therefore, do not record deferred taxes related to GILTI on our foreign subsidiaries.

At August 31, 2023, we had federal tax credit carryforwards of approximately $8.3 million that begin to expire in 2029, and state tax credit carryforwards of approximately $0.9 million that begin to expire in 2027. Approximately $7.6 million of the total $8.3 million in federal tax credit carryforwards are subject to a full valuation allowance as we do not expect to realize any future tax benefit. At August 31, 2023, we had federal net operating loss carryforwards of $14.4 million that begin to expire in 2029, state net operating loss carryforwards of $47.1 million that begin to expire in 2024, and foreign net operating loss carryforwards of $7.8 million that begin to expire in 2028.

The gross amount of unrecognized tax benefits as of August 31, 2023 and 2022 totaled $20.1 million and $19.5 million, respectively, which includes $20.1 million and $18.8 million, respectively, of net unrecognized tax benefits that, if recognized, would affect the annual effective tax rate. We recognize potential interest and penalties related to unrecognized tax benefits as a component of income tax expense; such accrued interest and penalties are not material. With few exceptions, we are no longer subject to United States federal, state, and local income tax examinations for years ended before 2018 or for foreign income tax examinations before 2018. We do not anticipate unrecognized tax benefits will significantly increase or decrease within the next 12 months.

The following table reconciles the change in the unrecognized income tax benefit (reported in *Other long-term liabilities* on the *Consolidated Balance Sheets*) during the periods presented (in millions):

	Year Ended August 31,		
	2023	2022	2021
Unrecognized tax benefits balance at beginning of year	$ 19.5	$ 17.7	$ 17.2
Additions based on tax positions related to the current year	4.3	3.5	5.2
Additions for tax positions of prior years	1.4	0.1	0.1
Reductions for tax positions of prior years	(1.7)	(0.2)	(0.1)
Reductions due to settlements	(0.5)	—	(4.6)
Reductions due to lapse of statute of limitations	(2.9)	(1.6)	(0.1)
Unrecognized tax benefits balance at end of year	$ 20.1	$ 19.5	$ 17.7

Total accrued interest was $3.3 million, $2.1 million, and $2.0 million as of August 31, 2023, 2022, and 2021, respectively. There were no accruals related to income tax penalties during fiscal 2023. Interest, net of tax benefits, and penalties are included in *Income tax expense* within the *Consolidated Statements of Comprehensive Income*. We are routinely under audit from various tax jurisdictions. We do not currently anticipate material audit assessments.

Note 16 — Supplemental Disaggregated Information

Sales of lighting, lighting controls, and building technology solutions, excluding services, accounted for approximately 99% of total consolidated net sales in fiscal 2023, 2022, and 2021. Our geographic distribution of net sales, operating profit, income before income taxes, and long-lived assets is summarized in the following table during and as of the periods presented (in millions):

	Year Ended August 31,		
	2023	2022	2021
Net sales[1]:			
Domestic[2]	$ 3,412.9	$ 3,486.4	$ 2,982.4
International	539.3	519.7	478.6
Total	$ 3,952.2	$ 4,006.1	$ 3,461.0
Operating profit:			
Domestic[2]	$ 382.6	$ 428.3	$ 369.9
International	90.8	81.4	57.7
Total	$ 473.4	$ 509.7	$ 427.6
Income before income taxes:			
Domestic[2]	$ 367.5	$ 409.6	$ 343.7
International	79.2	84.3	52.5
Total	$ 446.7	$ 493.9	$ 396.2
Long-lived assets[3]:			
Domestic[2]	$ 323.8	$ 325.9	$ 284.4
International	107.4	73.5	76.6
Total	$ 431.2	$ 399.4	$ 361.0

(1) Net sales are attributed to each country based on the selling location.
(2) Domestic amounts include amounts for U.S. based operations.
(3) Long-lived assets include net property, plant, and equipment, operating lease right-of-use assets, and other long-term assets as reflected in the *Consolidated Balance Sheets*.

Item 9. ***Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.***

None.

Item 9a. ***Controls and Procedures.***

Disclosure controls and procedures are controls and other procedures that are designed to reasonably ensure that information required to be disclosed in the reports filed or submitted by us under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission (the "SEC") rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to reasonably ensure that information required to be disclosed by us in the reports filed under the Exchange Act is accumulated and communicated to management, including the principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

As required by SEC rules, we have evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of August 31, 2023. The scope of our efforts to comply with the SEC rules included all of our operations except for KE2 Therm Solutions, Inc. ("KE2Therm"), which we acquired during the year ended August 31,2023. KE2 Therm constituted less than 2% of both total assets and equity as of August 31, 2023 and less than 1% of both the Company's net sales and pre-tax income for the year ended August 31, 2023. SEC guidance permits management to omit an assessment of an acquired business' internal control over financial reporting from management's assessment of internal control over financial reporting for a period not to exceed one year from the date of the acquisition. Accordingly, management has not assessed KE2 Therm's internal control over financial reporting as of August 31, 2023. This evaluation was carried out under the supervision and with the participation of management, including the principal executive officer and principal financial officer. Based on this evaluation, which as discussed herein excluded the operations of KE2 Therm, these officers have concluded that the design and operation of our disclosure controls and procedures are effective at a reasonable assurance level as of August 31, 2023.

However, because all disclosure procedures must rely to a significant degree on actions or decisions made by employees throughout the organization, such as reporting of material events, the Company and its reporting officers believe that they cannot provide absolute assurance that all control issues and instances of fraud or errors and omissions, if any, within the Company will be detected. Limitations within any control system, including our control system, include faulty judgments in decision-making or simple errors or mistakes. In addition, controls can be circumvented by an individual, by collusion between two or more people, or by management override of the control. Because of these limitations, misstatements due to error or fraud may occur and may not be detected.

Management's annual report on our internal control over financial reporting and the independent registered public accounting firm's attestation report are included in our 2023 Financial Statements in Item 8 of this Annual Report on Form 10-K, under the headings, *Management's Report on Internal Control over Financial Reporting* and *Report of Independent Registered Public Accounting Firm* as it relates to Internal Control Over Financial Reporting, respectively, and are incorporated herein by reference.

There were no changes in our internal control over financial reporting (as such term is defined in Rules 13a–15(f) and 15d–15(f) under the Exchange Act) that occurred during our most recent quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting

Item 9b. ***Other Information.***

On October 26, 2023, the Company and Neil M. Ashe, the Company's President and Chief Executive Officer, entered into an amendment to Mr. Ashe's Severance Agreement. The amendment modified the calculation of the minimum bonus component of severance that would be payable to Mr. Ashe on a qualifying termination of employment by replacing its reference to a specified percentage of Mr. Ashe's base salary (130%) with a reference to Mr. Ashe's target annual incentive bonus as in effect at the time of his termination. The foregoing description of the amendment to Mr. Ashe's Severance Agreement is a summary only and is qualified in its entirety by the full text of the amendment, which is filed as Exhibit 10(iii)A (26) to this Annual Report on Form 10-K.

Item 9c. ***Disclosure Regarding Foreign Jurisdictions That Prevent Inspections.***

None.

PART III

Item 10. ***Directors, Executive Officers, and Corporate Governance.***

The information required by this item, with respect to directors and corporate governance, will be included under the caption *Item 1 — Election of Directors* and *Director Information* of our proxy statement for the annual meeting of stockholders to be held January 24, 2024, to be filed with the Securities and Exchange Commission pursuant to Regulation 14A, and is incorporated herein by reference.

The information required by this item, with respect to executive officers, will be included under the caption *Executive Officers* of our proxy statement for the annual meeting of stockholders to be held January 24, 2024, to be filed with the Securities and Exchange Commission pursuant to Regulation 14A, and is incorporated herein by reference.

The information required by this item, with respect to the code of ethics, will be included under the captions *Governance Policies and Procedures* and *Contacting the Board of Directors* of our proxy statement for the annual meeting of stockholders to be held January 24, 2024, to be filed with the Securities and Exchange Commission pursuant to Regulation 14A, and is incorporated herein by reference.

Item 11. ***Executive Compensation.***

The information required by this item will be included under the captions *Director Information, Board and Committees (*including *Compensation Committee Interlocks and Insider Participation), Compensation of Directors, Compensation Discussion and Analysis, Report of the Compensation and Management Development Committee, Fiscal 2023 Summary Compensation Table, Fiscal 2023 Grants of Plan-Based Awards, Outstanding Equity Awards at Fiscal 2023 Year-End, Option Exercises and Stock Vested in Fiscal 2023, Pension Benefits in Fiscal 2023, Fiscal 2023 Non-Qualified Deferred Compensation, Employment Arrangements, Potential Payments upon Termination, CEO Pay Ratio,* and *Equity Compensation Plans* of our proxy statement for the annual meeting of stockholders to be held January 24, 2024, to be filed with the Securities and Exchange Commission pursuant to Regulation 14A, and is incorporated herein by reference.

Item 12. ***Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.***

The information required by this item will be included under the captions *Equity Compensation Plans* and *Beneficial Ownership of the Company's Securities* of our proxy statement for the annual meeting of stockholders to be held January 24, 2024, to be filed with the Securities and Exchange Commission pursuant to Regulation 14A, and is incorporated herein by reference.

Item 13. ***Certain Relationships and Related Transactions, and Director Independence.***

The information required by this item will be included under the captions *Certain Relationships and Related Party Transactions, Director Information,* and *Board and Committees* of our proxy statement for the annual meeting of stockholders to be held January 24, 2024, to be filed with the Securities and Exchange Commission pursuant to Regulation 14A, and is incorporated herein by reference.

Item 14. ***Principal Accountant Fees and Services.***

The information required by this item concerning our principal accountant will be included under the captions *Audit Fees and Other Fees, Preapproval Policies and Procedures,* and *Report of the Audit Committee* of our proxy statement for the annual meeting of stockholders to be held January 24, 2024, to be filed with the Securities and Exchange Commission pursuant to Regulation 14A, and is incorporated herein by reference.

PART IV

Item 15. ***Exhibits and Financial Statement Schedules.***

(a) The following documents are filed as a part of this report:

(1)	Management's Report on Internal Control over Financial Reporting	29
	Reports of Independent Registered Public Accounting Firm	30
	Consolidated Balance Sheets as of August 31, 2023 and 2022	33
	Consolidated Statements of Comprehensive Income for the years ended August 31, 2023, 2022, and 2021	34
	Consolidated Statements of Cash Flows for the years ended August 31, 2023, 2022, and 2021	35
	Consolidated Statements of Stockholders' Equity for the years ended August 31, 2023, 2022, and 2021	36
	Notes to Consolidated Financial Statements	37

(2) Financial Statement Schedules:

Any of Schedules I through V not listed above have been omitted because they are not applicable or the required information is included in the consolidated financial statements or notes thereto

(3) Exhibits filed with this report (begins on next page):

Copies of exhibits will be furnished to stockholders upon request at a nominal fee. Requests should be sent to Acuity Brands, Inc., Investor Relations Department, 1170 Peachtree Street, N.E., Suite 1200, Atlanta, Georgia 30309

INDEX TO EXHIBITS

EXHIBIT 3	(a)	Restated Certificate of Incorporation of Acuity Brands, Inc. (formerly Acuity Brands Holdings, Inc.), dated as of September 26, 2007.	Reference is made to Exhibit 3.1 of registrant's Form 8-K as filed with the Commission on September 26, 2007, which is incorporated herein by reference.
	(b)	Certificate of Amendment of Acuity Brands, Inc. (formerly Acuity Brands Holdings, Inc.), dated as of September 26, 2007.	Reference is made to Exhibit 3.2 of registrant's Form 8-K as filed with the Commission on September 26, 2007, which is incorporated herein by reference.
	(c)	Certificate of Amendment to the Restated Certificate of Incorporation of Acuity Brands, Inc., dated as of January 6, 2017.	Reference is made to Exhibit 3(c) of registrant's Form 10-Q as filed with the Commission on January 9, 2017, which is incorporated herein by reference.
	(d)	Certificate of Amendment to the Restated Certificate of Incorporation of Acuity Brands, Inc., dated as of January 7, 2021.	Reference is made to Exhibit 3(d) of registrant's Form 10-Q as filed with the Commission on January 7, 2021, which is incorporated herein by reference.
	(e)	Amended and Restated Bylaws of Acuity Brands, Inc., dated as of January 7, 2021.	Reference is made to Exhibit 3(e) of registrant's Form 10-Q as filed with the Commission on January 7, 2021, which is incorporated herein by reference.
EXHIBIT 4	(a)	Form of Certificate representing Acuity Brands, Inc. Common Stock.	Reference is made to Exhibit 4.1 of registrant's Form 8-K as filed with the Commission on December 14, 2001, which is incorporated herein by reference.
	(b)	Description of Securities.	Filed with the Commission as part of this Form 10-K.
	(c)	Indenture, dated as of November 10, 2020, between Acuity Brands Lighting, Inc. and U.S. Bank National Association, as trustee.	Reference is made to Exhibit 4.1 of registrant's Form 8-K as filed with the Commission on November 10, 2020, which is incorporated herein by reference.
	(d)	First Supplemental Indenture, dated as of November 10, 2020, among Acuity Brands Lighting, Inc., Acuity Brands, Inc. and ABL IP Holding, LLC, and U.S. Bank National Association, as trustee.	Reference is made to Exhibit 4.2 of registrant's Form 8-K as filed with the Commission on November 10, 2020, which is incorporated herein by reference.
	(e)	Officer's Certificate, dated as of November 10, 2020, pursuant to Sections 3.01 and 3.03 of the Indenture, dated November 10, 2020, setting forth the terms of the 2.150% Senior Notes due 2030. the 2.150% Senior Notes due 2030.	Reference is made to Exhibit 4.3 of registrant's Form 8-K as filed with the Commission on November 10, 2020, which is incorporated herein by reference.
	(f)	Form of 2.150% Senior Notes due 2030 (included in Exhibit 4.3).	Reference is made to Exhibit 4.3 of registrant's Form 8-K as filed with the Commission on November 10, 2020, which is incorporated herein by reference.
EXHIBIT 10(i)	(1)	Five-Year Credit Agreement dated June 30, 2022.	Reference is made to Exhibit 10.1 of registrant's Form 10-Q as filed with the Commission on June 30, 2022, which is incorporated herein by reference.
EXHIBIT 10(iii)A		Management Contracts and Compensatory Arrangements:	
	(1)	Acuity Brands, Inc. Supplemental Deferred Savings Plan.	Reference is made to Exhibit 10.14 of registrant's Form 8-K as filed with the Commission on December 14, 2001, which is incorporated herein by reference.
	(2)	Amendment No. 1 to Acuity Brands, Inc. Supplemental Deferred Savings Plan.	Reference is made to Exhibit 10(iii)A(2) of registrant's Form 10-Q as filed with the Commission on January 14, 2003, which is incorporated by reference.

(3)	Amendment No. 2 to Acuity Brands, Inc. Supplemental Deferred Savings Plan.	Reference is made to Exhibit 10(iii)A(8) of the registrant's Form 10-Q as filed with the Commission on July 14, 2003, which is incorporated by reference.
(4)	Amendment No. 3 to Acuity Brands, Inc. Supplemental Deferred Savings Plan.	Reference is made to Exhibit 10(iii)A(36) of the registrant's Form 10-K as filed with the Commission on October 29, 2004, which is incorporated by reference.
(5)	Amendment No. 4 to Acuity Brands, Inc. Supplemental Deferred Savings Plan.	Reference is made to Exhibit 99.2 of registrant's Form 8-K filed with the Commission on July 6, 2006, which is incorporated herein by reference.
(6)	Amendment No. 5 to Acuity Brands, Inc. Supplemental Deferred Savings Plan.	Reference is made to Exhibit 10(iii)A(6) of registrant's Form 10-Q as filed with the Commission on July 10, 2007, which is incorporated herein by reference.
(7)	Amended and Restated Acuity Brands, Inc. 2005 Supplemental Deferred Savings Plan, effective as of July 1, 2019.	Reference is made to Exhibit 10(b) of the registrant's Form 10-Q as filed with the Commission on July 2, 2019, which is incorporated herein by reference.
(8)	First Amendment to the Acuity Brands, Inc. 2005 Supplemental Deferred Savings Plan, effective as of October 25, 2021	Reference is made to Exhibit 10(iii)A(14) of the registrant's Form 10-K as filed with the Commission on October 27, 2021, which is incorporated herein by reference.
(9)	Acuity Brands, Inc. Nonemployee Director Deferred Compensation Plan as Amended and Restated Effective June 29, 2006.	Reference is made to Exhibit 99.1 of registrant's Form 8-K filed with the Commission on July 6, 2006, which is incorporated herein by reference.
(10)	Amendment No. 2 to Acuity Brands, Inc. Nonemployee Director Deferred Compensation Plan dated October 24, 2008.	Reference is made to Exhibit 10(iii)A(86) of the registrant's Form 10-K as filed with the Commission on October 27, 2008, which is incorporated herein by reference.
(11)	Amended and Restated Acuity Brands, Inc. 2011 Nonemployee Director Deferred Compensation Plan, Effective as of January 5, 2022.	Reference is made to Exhibit 10(iii)c of the registrant's Form 10-Q as filed with the Commission on January 7, 2022, which is incorporated herein by reference.
(12)	Acuity Brands, Inc. Compensation for Non-Employee Directors.	Reference is made to Exhibit 10(iii)A(12) of the registrant's Form 10-K as filed with the Commission on October 26, 2022, which is incorporated herein by reference.
(13)	Acuity Brands, Inc. Senior Management Benefit Plan.	Reference is made to Exhibit 10.16 of registrant's Form 8-K as filed with the Commission on December 14, 2001, which is incorporated herein by reference.
(14)	Amendment No. 1 to Acuity Brands, Inc. Senior Management Benefit Plan.	Reference is made to Exhibit 10(iii)A(5) of registrant's Form 10-Q as filed with the Commission on July 10, 2007, which is incorporated herein by reference.
(15)	Acuity Brands, Inc. Executive Benefits Trust.	Reference is made to Exhibit 10.18 of registrant's Form 8-K as filed with the Commission on December 14, 2001, which is incorporated herein by reference.
(16)	Acuity Brands, Inc. Supplemental Retirement Plan for Executives.	Reference is made to Exhibit 10.19 of registrant's Form 8-K as filed with the Commission on December 14, 2001, which is incorporated herein by reference.
(17)	Amendment No. 1 to Acuity Brands, Inc. Supplemental Retirement Plan for Executives.	Reference is made to Exhibit 10(iii)A(2) of the registrant's Form 10-Q as filed with the Commission on April 14, 2003, which is incorporated by reference.

(18)	Acuity Brands, Inc. Benefits Protection Trust.	Reference is made to Exhibit 10.21 of registrant's Form 8-K as filed with the Commission on December 14, 2001, which is incorporated herein by reference.
(19)	Acuity Brands, Inc. 2002 Supplemental Executive Retirement Plan, As Amended and Restated Effective As of July 1, 2019.	Reference is made to Exhibit 10(c) of the registrant's Form 10-Q as filed with the Commission on July 2, 2019, which is incorporated herein by reference.
(20)	Amendment No. 1 to Acuity Brands, Inc. 2002 Supplemental Executive Retirement Plan.	Reference is made to Exhibit 10(a) of registrant's Form 10-Q as filed with the Commission on January 7, 2020, which is incorporated herein by reference.
(21)	Form of Amended and Restated Change in Control Agreement entered into as of April 21, 2006.	Reference is made to Exhibit 99.1 of registrant's Form 8-K filed with the Commission on April 27, 2006, which is incorporated herein by reference.
(22)	Employment Letter between Acuity Brands, Inc. and Neil M. Ashe, dated January 9, 2020	Reference is made to Exhibit 10.1 of registrant's Form 8-K as filed with the Commission on January 9, 2020, which is incorporated herein by reference.
(23)	Form of Nonqualified Stock Option Award Agreement (options subject only to time-based conditions)	Reference is made to Exhibit 10.2 of registrant's Form 8-K as filed with the Commission on January 9, 2020, which is incorporated herein by reference.
(24)	Form of Nonqualified Stock Option Award Agreement (options subject to time-based and share price performance conditions)	Reference is made to Exhibit 10.3 of registrant's Form 8-K as filed with the Commission on January 9, 2020, which is incorporated herein by reference.
(25)	Form of Severance Agreement between Acuity Brands, Inc. and Neil M. Ashe	Reference is made to Exhibit 10.4 of registrant's Form 8-K as filed with the Commission on January 9, 2020, which is incorporated herein by reference.
(26)	Amendment No. 1 to Severance Agreement between Acuity Brands, Inc. and Neil M. Ashe	Filed with the Commission as part of this Form 10-K.
(27)	Form of Change in Control Agreement between Acuity Brands, Inc. and Neil M. Ashe	Reference is made to Exhibit 10.5 of registrant's Form 8-K as filed with the Commission on January 9, 2020, which is incorporated herein by reference.
(28)	Acuity Brands, Inc. Matching Gift Program.	Filed with the Commission as part of this Form 10-K.
(29)	Employment Letter dated November 16, 2005 between Acuity Brands, Inc. and Richard K. Reece.	Reference is made to Exhibit 10.1 of registrant's Form 8-K filed with the Commission on November 18, 2005, which is incorporated herein by reference.
(30)	Amendment No. 1 to Acuity Brands, Inc. Amended and Restated Severance Agreement between Acuity Brands, Inc. and Richard K. Reece.	Reference is made to Exhibit 10(iii)A(81) of the registrant's Form 10-K as filed with the Commission on October 30, 2009, which is incorporated herein by reference.
(31)	Amendment No. 2 to Acuity Brands, Inc. Amended and Restated Severance Agreement between Acuity Brands, Inc. and Richard K. Reece.	Reference is made to Exhibit 10 (f) of registrant's Form 10-Q as filed with the Commission on March 31, 2010, which is incorporated herein by reference.
(32)	Amendment No. 3 to Acuity Brands, Inc. Amended and Restated Severance Agreement between Acuity Brands, Inc. and Richard K. Reece.	Reference is made to Exhibit 10(iii)A(4) of the registrant's Form 10-Q as filed with the Commission on April 2, 2014, which is incorporated herein by reference.

(33)	Amendment No. 4 to Acuity Brands, Inc. Amended and Restated Severance Agreement between Acuity Brands, Inc. and Richard K. Reece.	Reference is made to Exhibit 10(iii)A(46) of the registrant's Form 10-K as filed with the Commission on October 29, 2014, which is incorporated herein by reference.
(34)	Amendment No. 5 to Acuity Brands, Inc. Amended and Restated Severance Agreement between Acuity Brands, Inc. and Richard K. Reece.	Reference is made to Exhibit 10(iii)A(43) of the registrant's Form 10-K as filed with the Commission on October 27, 2015, which is incorporated herein by reference.
(35)	Amendment No. 6 to Acuity Brands, Inc. Amended and Restated Severance Agreement between Acuity Brands, Inc. and Richard K. Reece.	Reference is made to Exhibit 10(iii)A(44) of the registrant's Form 10-K as filed with the Commission on October 27, 2016, which is incorporated herein by reference.
(36)	Amendment No. 7 to Acuity Brands, Inc. Amended and Restated Severance Agreement between Acuity Brands, Inc. and Richard K. Reece.	Reference is made to Exhibit 10(iii)A(45) of the registrant's Form 10-K as filed with the Commission on October 26, 2017, which is incorporated herein by reference.
(37)	Amendment No. 8 to Acuity Brands, Inc. Amended and Restated Severance Agreement between Acuity Brands, Inc. and Richard K. Reece.	Reference is made to Exhibit 10(a) of the registrant's Form 10-Q as filed with the Commission on January 9, 2019, which is incorporated herein by reference.
(38)	Amendment No. 9 to Acuity Brands, Inc. Amended and Restated Severance Agreement between Acuity Brands, Inc. and Richard K. Reece.	Reference is made to Exhibit 10(b) of the registrant's Form 10-Q as filed with the Commission on April 3, 2019, which is incorporated herein by reference.
(39)	Acuity Brands Lighting, Inc. Severance Agreement, entered into as of March 28, 2018, by and between Acuity Brands Lighting, Inc. and Karen J. Holcom.	Reference is made to Exhibit 10(iii)A(51) of the registrant's Form 10-K as filed with the Commission on October 29, 2019, which is incorporated herein by reference.
(40)	Amendment No. 1 to Acuity Brands Lighting, Inc. Severance Agreement between Acuity Brands Lighting, Inc. and Karen J. Holcom.	Reference is made to Exhibit 10(iii)A(52) of the registrant's Form 10-K as filed with the Commission on October 29, 2019, which is incorporated herein by reference.
(41)	Amendment No. 2 to Acuity Brands Lighting, Inc. Severance Agreement between Acuity Brands Lighting, Inc. and Karen J. Holcom.	Reference is made to Exhibit 10(iii)A(53) of the registrant's Form 10-K as filed with the Commission on October 29, 2019, which is incorporated herein by reference.
(42)	Amendment No. 3 to Acuity Brands Lighting, Inc. Severance Agreement between Acuity Brands Lighting, Inc. and Karen J. Holcom.	Reference is made to Exhibit 10(a) of registrant's Form 10-Q as filed with the Commission on January 7, 2020, which is incorporated herein by reference.
(43)	Change in Control Agreement, entered into as of March 28, 2018, by and between Acuity Brands, Inc. and Karen J. Holcom.	Reference is made to Exhibit 10(iii)A(54) of the registrant's Form 10-K as filed with the Commission on October 29, 2019, which is incorporated herein by reference.
(44)	Amendment No.1 to Acuity Brands, Inc. Change in Control Agreement between Acuity Brands, Inc. and Karen J. Holcom.	Reference is made to Exhibit 10(iii)A(55) of the registrant's Form 10-K as filed with the Commission on October 29, 2019, which is incorporated herein by reference.
(45)	Change in Control Agreement dated March 28, 2018, by and between Acuity Brands, Inc. and Barry R. Goldman.	Reference is made to Exhibit 10(iii)A(81) of the registrant's Form 10-K as filed with the Commission on October 23, 2020, which is incorporated herein by reference.
(46)	Amendment No. 1 to Acuity Brands, Inc. Change in Control Agreement between Acuity Brands, Inc. and Barry R. Goldman.	Reference is made to Exhibit 10(iii)A(82) of the registrant's Form 10-K as filed with the Commission on October 23, 2020, which is incorporated herein by reference.
(47)	Severance Agreement dated March 28, 2020, by and between Acuity Brands, Inc. and Barry R. Goldman.	Reference is made to Exhibit 10(iii)A(83) of the registrant's Form 10-K as filed with the Commission on October 23, 2020, which is incorporated herein by reference.

(48)	Amendment No. 1 to Acuity Brands, Inc. Severance Agreement between Acuity Brands, Inc. and Barry R. Goldman.	Reference is made to Exhibit 10(iii)A(84) of the registrant's Form 10-K as filed with the Commission on October 23, 2020, which is incorporated herein by reference.
(49)	Amendment No. 2 to Acuity Brands, Inc. Severance Agreement between Acuity Brands, Inc. and Barry R. Goldman.	Reference is made to Exhibit 10(iii)A(85) of the registrant's Form 10-K as filed with the Commission on October 23, 2020, which is incorporated herein by reference.
(50)	Amendment No. 3 to Acuity Brands, Inc. Severance Agreement between Acuity Brands, Inc. and Barry R. Goldman.	Reference is made to Exhibit 10(iii)A(86) of the registrant's Form 10-K as filed with the Commission on October 23, 2020, which is incorporated herein by reference.
(51)	Amendment No. 4 to Acuity Brands, Inc. Severance Agreement between Acuity Brands, Inc. and Barry R. Goldman.	Reference is made to Exhibit 10(iii)A(80) of the registrant's Form 10-K as filed with the Commission on October 27, 2021, which is incorporated herein by reference.
(52)	Change in Control Agreement dated March 2, 2020, by and between Acuity Brands, Inc. and Dianne S. Mills.	Reference is made to Exhibit 10(iii)A(87) of the registrant's Form 10-K as filed with the Commission on October 23, 2020, which is incorporated herein by reference.
(53)	Severance Agreement dated March 2, 2020, by and between Acuity Brands, Inc. and Dianne S. Mills.	Reference is made to Exhibit 10(iii)A(88) of the registrant's Form 10-K as filed with the Commission on October 23, 2020, which is incorporated herein by reference.
(54)	Amendment No. 1 to Acuity Brands, Inc. Severance Agreement between Acuity Brands, Inc. and Dianne S. Mills.	Reference is made to Exhibit 10(iii)A(83) of the registrant's Form 10-K as filed with the Commission on October 27, 2021, which is incorporated herein by reference.
(55)	Form of Indemnification Agreement.	Reference is made to Exhibit 10.1 of registrant's Form 8-K as filed with the Commission on February 9, 2010, which is incorporated herein by reference.
(56)	Form of Stock Notification and Award Agreement for stock options, effective October 24, 2013.	Reference is made to Exhibit 10(iii)A(1) of the registrant's Form 10-Q as filed with the Commission on April 2, 2014, which is incorporated herein by reference.
(57)	Form of Stock Notification and Award Agreement for stock options, effective October 27, 2014.	Reference is made to Exhibit 10(iii)A(66) of the registrant's Form 10-K as filed with the Commission on October 29, 2014, which is incorporated herein by reference.
(58)	Form of Stock Notification and Award Agreement for stock options, effective April 1, 2016.	Reference is made to Exhibit 10(iii)A(1) of the registrant's Form 10-Q as filed with the Commission on April 6, 2016, which is incorporated herein by reference.
(59)	Form of Restricted Stock Award Agreement for U.S. Grantees.	Reference is made to Exhibit 10(iii)A(70) of the registrant's Form 10-K as filed with the Commission on October 27, 2016, which is incorporated herein by reference.
(60)	Form of Restricted Stock Unit Award Agreement for Non-U.S. Grantees.	Reference is made to Exhibit 10(iii)A(72) of the registrant's Form 10-K as filed with the Commission on October 26, 2017, which is incorporated herein by reference.
(61)	Form of Nonqualified Stock Option Award Agreement.	Reference is made to Exhibit 10(iii)A(72) of the registrant's Form 10-K as filed with the Commission on October 27, 2016, which is incorporated herein by reference.
(62)	Form of Nonqualified Stock Option Award Agreement for Named Executive Officers.	Reference is made to Exhibit 10(iii)A(73) of the registrant's Form 10-K as filed with the Commission on October 27, 2016, which is incorporated herein by reference.

(63)	Amended and Restated Acuity Brands, Inc. 2012 Omnibus Stock Incentive Compensation Plan.	Reference is made to Appendix B of the registrant's Proxy Statement as filed with the Commission on November 22, 2021, which is incorporated herein by reference.
(64)	Acuity Brands, Inc. 2017 Management Cash Incentive Plan.	Reference is made to Annex B of the registrant's Proxy Statement as filed with the Commission on November 21, 2017, which is incorporated herein by reference.
(65)	Form of Restricted Stock Award Agreement for U.S. Employees.	Reference is made to Exhibit 10(iii)A(1) of the registrant's Form 10-Q as filed with the Commission on April 4, 2018, which is incorporated herein by reference.
(66)	Form of Restricted Stock Award Agreement for Directors.	Reference is made to Exhibit 10(iii)A(3) of the registrant's Form 10-Q as filed with the Commission on April 4, 2018, which is incorporated herein by reference.
(67)	Restricted Stock Award Agreement for Non-Employee Director.	Reference is made to Exhibit 10(iii)a of the registrant's Form 10-Q as filed with the Commission on January 7, 2022, which is incorporated herein by reference.
(68)	Deferred Stock Unit Award Agreement Non-Employee Directors.	Reference is made to Exhibit 10(iii)b of the registrant's Form 10-Q as filed with the Commission on January 7, 2022, which is incorporated herein by reference.
(69)	Acuity Brands, Inc. Amended and Restated 2012 Omnibus Stock Incentive Compensation Plan Global Performance Unit Notification and Award Agreement.	Reference is made to Exhibit 10(iii)A(93) of the registrant's Form 10-K as filed with the Commission on October 29, 2019, which is incorporated herein by reference.
(70)	Acuity Brands, Inc. Amended and Restated 2012 Omnibus Stock Incentive Compensation Plan Global Performance Unit Notification and Award Agreement.	Reference is made to Exhibit 10(c) of registrant's Form 10-Q as filed with the Commission on January 7, 2020, which is incorporated herein by reference.
(71)	Acuity Brands, Inc. Amended and Restated 2012 Omnibus Stock Incentive Compensation Plan Global Restricted Stock Unit Notification and Award Agreement.	Reference is made to Exhibit 10(iii)A(94) of the registrant's Form 10-K as filed with the Commission on October 29, 2019, which is incorporated herein by reference.
(72)	Acuity Brands, Inc. Amended and Restated 2012 Omnibus Stock Incentive Compensation Plan Global Restricted Stock Unit Notification and Award Agreement.	Reference is made to Exhibit 10(d) of registrant's Form 10-Q as filed with the Commission on January 7, 2020, which is incorporated herein by reference.
(73)	Acuity Brands, Inc. Amended and Restated 2012 Omnibus Stock Incentive Compensation Plan Global Performance Unit Notification and Award Agreement (TSR October 2022).	Reference is made to Exhibit 10(d) of registrant's Form 10-Q as filed with the Commission on January 9, 2023, which is incorporated herein by reference.
(74)	Acuity Brands, Inc. Non-Employee Director Compensation Schedule.	Reference is made to Exhibit 10 (1) of registrant's Form 10-Q as filed with the Commission on April 4, 2023, which is incorporated herein by reference.
(75)	Acuity Brands, Inc. 2005 Supplemental Deferred Savings Plan (As Amended and Restated effective March 30, 2023).	Reference is made to Exhibit 10 (2) of registrant's Form 10-Q as filed with the Commission on April 4, 2023, which is incorporated herein by reference.
(76)	Acuity Brands, Inc. Amended and Restated 2012 Omnibus Stock Incentive Compensation Plan Global Performance Unit Notification and Award Agreement (ROIC Performance Award).	Filed with the Commission as part of this Form 10-K.

	(77)	Acuity Brands, Inc. Amended and Restated 2012 Omnibus Stock Incentive Compensation Plan Global Performance Unit Notification and Award Agreement (rTSR Performance Award).	Filed with the Commission as part of this Form 10-K.
	(78)	Acuity Brands, Inc. Amended and Restated 2012 Omnibus Stock Incentive Compensation Plan Global Restricted Stock Unit Notification and Award Agreement	Filed with the Commission as part of this Form 10-K.
	(79)	Acuity Brands, Inc. Incentive-Based Compensation Recoupment Policy As Amended and Restated Effective as of October 2, 2023.	Filed with the Commission as part of this Form 10-K.
	(80)	Acuity Brands, Inc. Short-Term Incentive Plan As Amended and Restated Effective as of September 28, 2023.	Filed with the Commission as part of this Form 10-K.
EXHIBIT 21		List of Subsidiaries.	Filed with the Commission as part of this Form 10-K.
EXHIBIT 22		List of Guarantors and Subsidiary Issuers of Guaranteed Securities.	Filed with the Commission as part of this Form 10-K.
EXHIBIT 23		Consent of Independent Registered Public Accounting Firm.	Filed with the Commission as part of this Form 10-K.
EXHIBIT 24		Powers of Attorney.	Filed with the Commission as part of this Form 10-K.
EXHIBIT 31	(a)	Certification of the Chief Executive Officer of the Company pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	Filed with the Commission as part of this Form 10-K.
	(b)	Certification of the Chief Financial Officer of the Company pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	Filed with the Commission as part of this Form 10-K.
EXHIBIT 32	(a)	Certification of the Chief Executive Officer of the Company pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	Filed with the Commission as part of this Form 10-K.
	(b)	Certification of the Chief Financial Officer of the Company pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	Filed with the Commission as part of this Form 10-K.
EXHIBIT 101	.INS	XBRL Instance Document	The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
	.SCH	XBRL Taxonomy Extension Schema Document.	Filed with the Commission as part of this Form 10-K.
	.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.	Filed with the Commission as part of this Form 10-K.
	.DEF	XBRL Taxonomy Extension Definition Linkbase Document.	Filed with the Commission as part of this Form 10-K.
	.LAB	XBRL Taxonomy Extension Label Linkbase Document.	Filed with the Commission as part of this Form 10-K.
	.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.	Filed with the Commission as part of this Form 10-K.
EXHIBIT 104		Cover Page Interactive Data File.	Formatted as Inline XBRL and contained in Exhibit 101 of this Form 10-K.

Item 16. ***Form 10-K Summary.***

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ACUITY BRANDS, INC.

Date: October 26, 2023 By: /S/ NEIL M. ASHE

Neil M. Ashe
Chairman, President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ NEIL M. ASHE **Neil M. Ashe**	Chairman, Director, President and Chief Executive Officer (Principal Executive Officer)	October 26, 2023
/s/ KAREN J. HOLCOM **Karen J. Holcom**	Senior Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	October 26, 2023
* **Marcia J. Avedon, Ph.D.**	Director	October 26, 2023
* **W. Patrick Battle**	Director	October 26, 2023
* **Michael J. Bender**	Director	October 26, 2023
* **G. Douglas Dillard, Jr.**	Director	October 26, 2023
* **James H. Hance, Jr.**	Director	October 26, 2023
* **Maya Leibman**	Director	October 26, 2023
* **Laura G. O'Shaughnessy**	Director	October 26, 2023
* **Mark J. Sachleben**	Director	October 26, 2023
* **Mary A. Winston**	Director	October 26, 2023
*BY: /s/ KAREN J. HOLCOM **Karen J. Holcom**	Attorney-in-Fact	October 26, 2023

DESCRIPTION OF THE REGISTRANT'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

As of October 26, 2023, Acuity Brands, Inc. has one class of securities registered under Section 12 of the Securities Exchange Act of 1934 (the "Act"): our common stock.

Description of Common Stock

The following summary of certain terms of the common stock of Acuity Brands, Inc. (as used in this section, "we," "our," "us," "Acuity," the "Company," or other such similar references) describes material provisions of, but does not purport to be complete and is subject to, and qualified in its entirety by, our Restated Certificate of Incorporation (as amended, the "Certificate of Incorporation"), our Amended and Restated Bylaws (the "Bylaws"), the forms of which are included as exhibits to the Annual Report on Form 10-K of which this Exhibit 4(b) is also included, as well as the relevant portions of the Delaware General Corporation Law ("DGCL").

Authorized Capital Stock
Under our Certificate of Incorporation, the total number of shares of all classes of stock that we have the authority to issue is 550,000,000, of which 500,000,000 are shares of common stock, par value $.01 per share, and 50,000,000 are shares of preferred stock, par value $.01 per share. Our outstanding shares are fully paid and non-assessable. Holders of shares of our common stock do not have subscription, redemption, or conversion rights. There are no sinking fund provisions applicable to our common stock.

Voting Rights
The holders of our common stock are entitled to one vote for each share on all matters voted on by stockholders, and the holders of such shares will possess all voting power, except as otherwise required by law or provided in any resolution adopted by our Board of Directors (the "Board") with respect to any series of preferred stock of Acuity. There are no cumulative voting rights. Accordingly, the holders of a majority of the common stock voting for the election of directors in an uncontested election can elect all of the directors, if they choose to do so, subject to any rights of the holders of preferred stock to elect directors.

Dividend Rights
Subject to any preferential or other rights of any outstanding series of preferred stock of Acuity that may be designated by the Board, the holders of the common stock are entitled to receive ratably any dividends as may be declared from time to time by the Board from funds available.

Liquidation Rights
Subject to any preferential or other rights of any outstanding series of preferred stock of Acuity that may be designated by the Board, upon liquidation, holders of our common stock are entitled to receive pro rata all assets of Acuity available for distribution to such holders.

No Preemptive Rights
No holder of any stock of Acuity of any class have any preemptive right to subscribe to any securities of Acuity of any kind or class.

Transfer Agent and Registrar
The Transfer Agent and Registrar for Acuity is Computershare Trust Company N.A.

Preferred Stock
The Board is authorized without further stockholder approval (except as may be required by applicable law or New York Stock Exchange regulations) to provide for the issuance of shares of preferred stock, in one or more series, and to fix for each such series such voting powers, designations, preferences and relative, participating, optional and other special rights, and such qualifications, limitations or restrictions, as are stated in the resolution adopted by the Board providing for the issuance of such series and as are permitted by the DGCL. The terms and rights of any such series may include:

- the designation of the series;
- the number of shares of the series, which number the Board may thereafter, except where otherwise provided in the applicable certificate of designation, increase or decrease, but not below the number of shares thereof then outstanding;
- any dividend rights;
- any liquidation preferences;
- any redemption rights;
- any sinking fund terms;
- any conversion rights;
- any voting rights; and
- any other relative rights, preferences and limitations of such series.

Should the Board elect to exercise this authority, the rights and privileges of holders of shares of the Company's common stock could be made subject to the rights and privileges of any such series of preferred stock. Presently, Acuity has no plans to issue any preferred stock.

Certain Anti-takeover Provisions of Acuity's Certificate of Incorporation, Bylaws and Delaware Law
Our Certificate of Incorporation, Bylaws, and the DGCL contain certain provisions that could delay or make more difficult an acquisition of control of Acuity not approved by the Board, whether by means of a tender offer, open market purchases, a proxy contest, or otherwise. These provisions, which are summarized below, could have the effect of discouraging third parties from making proposals involving an acquisition or change of control of Acuity, although such a proposal, if made, might be considered desirable by a majority of Acuity's stockholders.

Election of Directors. Any vacancy on the Board, however occurring, including a vacancy resulting from an increase in the size of the Board (other than vacancies and newly created directorships which the holders of any class or classes of stock are expressly entitled by the Certificate of Incorporation to fill), may only be filled by the affirmative vote of a majority of our directors then in office, even if less than a quorum, or by the sole remaining director (and not by stockholders). This system of electing directors generally makes it more difficult for stockholders to replace a majority of our directors.

Stockholder Action, Advance Notification of Stockholder Nominations, and Proposals. Our Certificate of Incorporation provides that stockholder action may be taken only at an annual or special meeting of stockholders and that stockholders may not act by written consent. Our Certificate of Incorporation and Bylaws provide that special meetings of stockholders may be called only by resolution adopted by the whole Board. Stockholders are not permitted to call a special meeting or to require the Board to call a special meeting of stockholders.

Our Bylaws establish advance notice procedures for stockholder proposals to be brought before any annual or special meeting of stockholders and for nominations by stockholders of candidates for election as directors at an annual meeting or a special meeting at which directors are to be elected. Subject to any other applicable requirements, these procedures provide that notice of stockholder proposals must be timely given in writing to our corporate secretary prior to the meeting at which the action is to be taken. Generally, to be timely, notice must be received at our principal executive offices not less than 90 days or more than 120 days prior to the first anniversary of the preceding year's annual meeting of stockholders. The notice must contain certain information specified in our Bylaws.

These provisions could have the effect of delaying until the next stockholder meeting any stockholder actions, even if they are favored by the holders of a majority of our outstanding voting securities.

Authorized but Unissued Capital Stock. The authorized but unissued shares of our common stock and preferred stock will be available for future issuance without any further vote or action by our stockholders. These additional shares may be utilized for a variety of corporate purposes, including future public offerings to raise additional capital, corporate acquisitions, and employee benefit plans. The existence of authorized but unissued shares of our common stock and our preferred stock could render more difficult or discourage an attempt to obtain control over us by means of a proxy contest, tender offer, merger, or otherwise. For example, if in the due exercise of its fiduciary obligations, the Board were to determine that a takeover proposal is not in the best interests of us or our

stockholders, the Board could cause shares of preferred stock to be issued without stockholder approval in one or more private offerings or other transactions that might dilute the voting or other rights of the proposed acquirer or insurgent stockholder or stockholder group.

Amendment to Certificate of Incorporation and Bylaws. The DGCL provides generally that the affirmative vote of a majority of the outstanding stock entitled to vote on amendments to a corporation's certificate of incorporation or bylaws is required to approve such amendment, unless a corporation's certificate of incorporation or bylaws, as the case may be, requires a greater percentage. Our Bylaws may be amended or repealed by a majority vote of the Board or, in addition to any other vote otherwise required by law, the holders of at least a majority of the voting power of all of the then outstanding shares of the capital stock entitled to vote generally in the election of directors, voting together as a single class.

Additionally, the approval by holders of at least a majority of the voting power of all of the then outstanding shares of the capital stock entitled to vote on such matter, voting together as a single class, is required to amend or repeal or to adopt any provision inconsistent with Article V, Article VII, Article VIII, Article X or Article XI of our Certificate of Incorporation. These provisions may have the effect of deferring, delaying, or discouraging the removal of any anti-takeover defenses provided for in our Certificate of Incorporation and our Bylaws.

No Cumulative Voting. The DGCL provides that stockholders are not entitled to the right to cumulate votes in the election of directors unless our certificate of incorporation provides otherwise.

Delaware Takeover Statute. We are subject to the provisions of Section 203 of the DGCL and have adopted additional provisions in our Certificate of Incorporation for the approval, adoption, or authorization of business combinations. In general, Section 203 prohibits a publicly held Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a three-year period following the time that this stockholder becomes an interested stockholder, unless the business combination is approved in a prescribed manner.
Section 203 defines a business combination to include:

- any merger or consolidation involving the corporation and the interested stockholder;
- any sale, transfer, lease, pledge, exchange, mortgage or other disposition involving the interested stockholder of 10% or more of the assets of the corporation;
- subject to exceptions, any transaction that results in the issuance or transfer by the corporation of any stock of the corporation to the interested stockholder;
- subject to exceptions, any transaction involving the corporation that has the effect of increasing the proportionate share of the stock of any class or series of the corporation beneficially owned by the interested stockholder; or
- the receipt by the interested stockholder of the benefit of any loans, advances, guarantees, pledges, or other financial benefits provided by or through the corporation.

In general, Section 203 defines an "interested stockholder" as any entity or person beneficially owning 15% or more of the outstanding voting stock of the corporation and any entity or person affiliated with or controlling or controlled by the entity or person.

Pursuant to our Certificate of Incorporation, a "business combination" with an "interested person" requires the affirmative vote or consent of the holders of a majority of the shares of stock entitled to vote in elections of directors, which are not beneficially owned, directly or indirectly, by such interested person. This voting requirement will not be applicable if certain conditions described in our Certificate of Incorporation are met with respect to a particular business combination.

Our Certificate of Incorporation defines a "business combination" as (a) any merger or consolidation of Acuity or any of its subsidiaries with or into any interested person (regardless of the identity of the surviving corporation); (b) any sale, lease, or other disposition of all or any substantial part of the assets of Acuity or any of its subsidiaries to any interested person for cash or securities or both; or (c) any issuance or delivery of securities of Acuity or any of its subsidiaries (which the beneficial owner shall have the right to vote, or to vote upon exercise, conversion, or by contract) to an interested person in consideration for or in exchange of any securities or other property (including cash).

An “interested person” is defined in our Certificate of Incorporation as any person who beneficially owns, directly or indirectly, 5% or more of the shares of stock of Acuity entitled to vote in elections of directors at the relevant record date.

Limitations of Liability and Indemnification Matters

Our Bylaws limit the liability of our directors to the fullest extent permitted by applicable law and provide that we will indemnify them to the fullest extent permitted by such law. We have also entered into indemnification agreements with our current directors and executive officers and expect to enter into a similar agreement with any new director or executive officer.

AMENDMENT NO. 1
TO
ACUITY BRANDS, INC.
SEVERANCE AGREEMENT

THIS AMENDMENT, made and entered into as of October 26, 2023, by and between ACUITY BRANDS, INC. (the "Company") and NEIL M. ASHE ("Executive").

W I T N E S S E T H

WHEREAS, the Company and Executive entered into a Severance Agreement, dated as of January 31, 2020 (the "Severance Agreement"), providing for the payment of certain compensation and benefits to Executive if Executive's employment is terminated under certain circumstances; and

WHEREAS, the parties now desire to amend the Severance Agreement in the manner hereinafter provided;

NOW, THEREFORE, the Severance Agreement is hereby amended as follows:

1. The first sentence of Section 4.2 is hereby amended and restated in its entirety to read as follows:

   Executive shall be paid an amount equal to the greater of (i) the Executive's target annual incentive bonus in effect as of Executive's Date of Termination (or, if Executive's target annual incentive bonus has not yet been established for, or has been reduced during, the then current fiscal year, then Executive's target annual incentive bonus in effect as of the last day of the prior fiscal year), multiplied by a fraction (the "Pro Rata Fraction"), the numerator of which is the number of days that have elapsed in the then current fiscal year through Executive's Date of Termination and the denominator of which is 365, or (ii) the annual incentive bonus that would be paid or payable to Executive under the Incentive Plan based upon the Company's actual performance for such fiscal year multiplied by the Pro Rata Fraction.

2. This Amendment to the Severance Agreement shall be effective as of the date of this Amendment. Except as hereby modified, the Severance Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first written above.

EXECUTIVE	**COMPANY**	
	ACUITY BRANDS, INC.	
	By:	
/s/ Neil M. Ashe		/s/ Barry R. Goldman
NEIL M. ASHE	Name:	Barry R. Goldman
	Title:	Senior Vice President and General Counsel

MATCHING GIFT PROGRAM

A. PURPOSE

Acuity Brands, Inc. (the "Corporation") has for many years made contributions to philanthropic organizations. The matching gift program described below has been developed to afford the directors of the Corporation and senior management of Acuity, on a voluntary basis, an opportunity to direct a portion of the Corporation's philanthropic giving to organizations of greatest importance to them.

B. THE PROGRAM

The Corporation will match, on a dollar for dollar basis, cash contributions of at least Fifty Dollars ($50) by Eligible Contributors to Eligible Recipients up to a total maximum of Two Thousand Five Hundred Dollars ($2,500) per Eligible Contributor per fiscal year, except that the total maximum for each executive officer and director of the Corporation and president of an operating unit will be Five Thousand Dollars ($5,000) per fiscal year. Contributions may go to more than one Eligible Recipient. Only contributions (not pledges) will be matched. A contribution by an Eligible Contributor may be designated for a specific use, but the Corporation's matching grants will be unrestricted, except as provided below.

C. ELIGIBLE CONTRIBUTORS

All Board of Directors of the Corporation, Executive Vice Presidents and Senior Vice Presidents as of the commencement of each fiscal year will be eligible to participate in the Program during such fiscal year.

D. ELIGIBLE RECIPIENTS

Subject to the conditions set forth below, the following types of institutions will be eligible to receive matching gifts under the Program:

1. Educational organizations with a regular faculty and curriculum that normally have a regularly enrolled student body attending classes on site. Contributions to such Eligible Recipients must be used for educational purposes.
2. Health and Welfare Organizations – The Red Cross, Cancer and Heart Funds, March of Dimes, and similar health and welfare organizations.
3. Hospitals – Accredited, public hospitals.
4. Youth Groups – YMCA, YWCA, 4-H Clubs, Junior Achievement, Scouting, Big Brother/Sister Organizations, and similar groups.
5. Cultural Organizations – Recognized cultural organizations and institutions available to the general public, such as museums, libraries, botanical or

zoological societies, public radio and television stations, performing arts organizations, including symphony orchestras, and opera, ballet, dance, and theater groups.

E. CONDITIONS

To qualify, the Eligible Recipient must:

1. be located in the United States;
2. be a not-for-profit organization and be recognized by the Internal Revenue Service as an organization with respect to which contributions are deductible for Federal Income Tax purposes; and
3. must not be a:
    a. political organization or campaign;
    b. religious organization with religious purposes (i.e., church, synagogue, mosque, etc.);
    c. War Veterans organization; or
    d. United Way, Community Chest, or other federated drive (Acuity Brands already participates in the United Way campaign).

The Corporation will not match any payments for tuition or fees in lieu of tuition, dues, fees, subscriptions, memberships, courtesy advertising, tickets, products, services, fund raising dinners, or any payment which results in personal benefit to the Eligible Contributor.

F. ADMINISTRATION

Eligible Contributors desiring the Corporation to match any qualifying contribution should submit their check made payable to the Eligible Recipient and a completed application in the form attached hereto to the Program Administrator (Lisa Larkins). The Eligible Contributor’s contribution and the Corporation’s matching contribution will be mailed directly to the Eligible Recipient with an appropriate cover letter. A copy of the cover letter will be sent to the Eligible Contributor for his or her records.

G. TERMINATION OF PROGRAM

This Program may be terminated by the Board of Directors of the Corporation at any regular meeting. Eligible Contributors will be promptly notified of any such termination.

/$CurrentDate$/

ACUITY BRANDS, INC.
Amended and Restated 2012 Omnibus Stock Incentive Compensation Plan

Global Performance Unit Notification and Award Agreement
(ROIC Performance Award)

Grantee:	/$ParticipantName$/
Grant Type:	/$GrantType$/
Grant ID:	/$GrantID$/
Grant Date:	/$GrantDate$/
Target Award Amount:	/$AwardsGranted$/
Maximum Award Amount:	Up to 200% of the Target Award Amount
Performance Period	Three-Year Period Comprised of Fiscal Years 2024, 2025, and 2026
Service Period:	Three-Year Cliff Vest on October 24, 2026
Grantee Level:	/$UserCode2$/ for Stock Ownership Guidelines (Exhibit A)
Accept by Date:	/$AcceptByDate$/

WHEREAS, Acuity Brands, Inc. (the "Company") maintains the Amended and Restated Acuity Brands, Inc. 2012 Omnibus Stock Incentive Compensation Plan (the "Plan") under which the Compensation Committee of the Company's Board of Directors (the "Committee") has authority to grant Performance Units; and

WHEREAS, the Committee has determined that it is in the best interest of the Company and its stockholders to grant this Performance Unit Award to the Grantee identified above, subject to the terms and conditions set forth in the Plan and this Global Performance Unit Notification and Award Agreement, together with its exhibits (the "Agreement").

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

1. Incorporation of the Plan. The provisions of the Plan are hereby incorporated by reference. Except as otherwise expressly set forth herein, this Agreement shall be construed in accordance with the provisions of the Plan and any capitalized terms not otherwise defined in this Agreement shall have the definitions set forth in the Plan. In the event of any conflict between the terms of the Plan and the terms of this Agreement, the terms of the Plan shall prevail. The Committee has final authority to interpret and construe the Plan and this Agreement and to make any and all determinations under them, and its decision shall be binding and conclusive upon Grantee and Grantee's legal representative with respect to any questions arising under the Plan or this Agreement.

2. Grant of Performance Unit Award. The Committee, on behalf of the Company, hereby grants to Grantee, effective as of the Grant Date, Performance Units equal to the Target Award Amount set forth above, on the terms and conditions set forth in this Agreement, including the specific vesting requirements set forth above and the performance goal requirements (the "Performance Goals") set forth in Exhibit B attached hereto, and as otherwise provided in the Plan. The actual number of Performance Units earned pursuant to the Award will be determined based on the achievement of the Performance Goals during the Performance Period, as further set forth in Exhibit B.

3. Acceptance of Performance Unit Award. This award of Performance Units is conditioned upon Grantee's acceptance of the terms of this Agreement, as evidenced by Grantee's execution of this Agreement or by Grantee's electronic acceptance of this Agreement in a manner and during the time period allowed by the Company. If the terms of this Agreement are not timely accepted by execution or by such electronic means, the award of Performance Units may be cancelled.

4. Performance Goals. Exhibit B attached hereto sets forth the Performance Goals that must be satisfied in order for the Performance Units to be eligible to vest, subject to Grantee's satisfaction of the Service Period, except as otherwise set forth in Section 5. The Committee shall certify the extent to which the Performance Goals have been achieved with such certification occurring as soon as practicable following the end of the Performance Period and in any event no later than ninety (90) days following the end of such Performance

Period (such certification occurring on the "Certification Date"). Except as set forth in Section 5, any Performance Units for which the Performance Goals have not been achieved shall be automatically forfeited, terminated and cancelled effective as of the applicable Certification Date, without the payment of any consideration by the Company, and Grantee, or Grantee's beneficiary or personal representative, as the case may be, shall have no further rights with respect to such forfeited Performance Units under the Agreement.

5. Vesting of Performance Unit Award.

a) In General. Provided that Grantee remains continuously employed by the Company, a Subsidiary or Affiliate through the last day of the Service Period (the "Vesting Date"), this Performance Unit Award shall vest to the extent that the Performance Goals have been achieved, as determined by the Committee on the Certification Date. For purposes of this Agreement, providing active services as an Employee or as a member of the Board shall be considered as employment.

b) Vesting Acceleration Upon Termination due to Death or Disability. Notwithstanding Section 5(a) above, if prior to the Vesting Date, (i) Grantee dies while actively employed by the Company or a Subsidiary or Affiliate, or (ii) Grantee's employment terminates by reason of Grantee's Disability, any Performance Units shall become fully vested and non-forfeitable as of the date of Grantee's death or Disability in an amount equal to the Target Award Amount; provided, however, that if Grantee's Termination due to Grantee's death or Disability occurs after the end of the Performance Period, the Performance Units shall become fully vested and non-forfeitable in an amount equal to the number of Performance Units actually earned, as determined by the Committee on the Certification Date.

c) Vesting Following Termination with Tenure. Notwithstanding Section 5(a) above, if Grantee's employment terminates for a reason other than Cause on or after the date on which the number of completed years of Grantee's continuous service to the Company or a Subsidiary or Affiliate is at least five (5) ("Tenure"), the Performance Units will remain outstanding and will remain available to vest on a pro rata basis (as described below) at the end of the Service Period set forth above and subject to the terms set forth in this Agreement, including Exhibit B attached hereto, as though Grantee had remained employed, and once vested, will be settled in accordance with Section 7 below; provided, however, that any unvested Performance Units will be forfeited immediately, automatically and without consideration upon Grantee's breach of the confidentiality, inventions, non-solicitation and non-competition provisions attached hereto as Exhibit D (as determined by the Committee). The pro-rata portion of the Performance Units that will remain outstanding and available to vest following Grantee's termination with Tenure will be calculated based on the ratio of (x) each full year worked by Grantee from the Grant Date to Grantee's Date of Termination (as defined below), to (y) the total number of years in the Service Period. The Company, in its sole discretion, will determine whether Grantee has completed five (5) years of continuous service, including the effect of any break-in-service.

d) Termination of Service for Any Other Reason. Except for death, Termination due to Disability or Termination with Tenure, as provided in Sections 5(b) and (c) above, or except as otherwise provided in a duly approved severance agreement with Grantee, if Grantee terminates his or her employment or if the Company or if different, the Subsidiary or Affiliate employing Grantee (the "Employer") terminates Grantee's employment prior to the Vesting Date (even in the case of unfair dismissal and whether or not later to be found invalid or in breach of applicable laws in the jurisdiction where Grantee is employed or the terms of Grantee's employment agreement, if any) Grantee expressly acknowledges that the Performance Units shall cease to vest further and that the Performance Units shall be immediately forfeited as of the Date of Termination. "Date of Termination" means the last day of Grantee's active employment with the Employer. For greater certainty, Grantee's Date of Termination shall be deemed to be the date on which the notice of termination of employment provided is stated to be effective (and in the case of alleged constructive dismissal, the date on which the alleged constructive dismissal is alleged to have occurred), and not during or as of the end of any notice or other period following such date during which Grantee is in receipt of, or eligible to receive, statutory, contractual or common law notice of termination or any compensation in lieu of such notice or severance pay. The Company shall have the exclusive discretion to determine when Grantee is no longer actively providing services for purposes of the Performance Unit grant (including whether Grantee may still be considered to be providing services while on a leave of absence).

e) Vesting Acceleration Upon a Change in Control. Notwithstanding the other provisions of this Agreement, in the event of a Change in Control prior to the Vesting Date, all Performance Units shall become fully vested and non-forfeitable as of the date of the Change in Control in an amount equal to the Target Award Amount; provided, however, that if the Change in Control occurs after the end of the Performance Period, the

Performance Units shall become fully vested and non-forfeitable in an amount equal to the number of Performance Units actually earned, as determined by the Committee on the Certification Date.

6. Dividend Equivalents. During the period that Grantee holds Performance Units granted pursuant to this Agreement, on each date that the Company pays a cash dividend to holders of its Common Stock, the Company shall credit to a non-interest bearing account on its books for Grantee an unvested amount equal to the United States ("U.S.") Dollar amount paid per share of Common Stock for each Performance Unit initially granted pursuant to this Agreement (the "Dividend Equivalents"). The Dividend Equivalents credited to Grantee's non-interest bearing account shall vest only to the extent that the Performance Units vest and, except as otherwise provided in Section 5, only with respect to the number of Performance Units actually earned, based on achievement of the Performance Goals. Any such vested Dividend Equivalents shall be paid in accordance with Section 7 below. The Dividend Equivalents shall be forfeited in the event that the Performance Units are forfeited.

7. Issuance of Shares upon Vesting. No Shares shall be issued to Grantee prior to the date that the Performance Units vest pursuant to this Agreement. As soon as practical and in any event within sixty (60) days after the date that the Performance Units vest pursuant to Section 5 (or within such longer period as may be permitted under Section 409A upon Grantee's death), and subject to the Company's Incentive-Based Compensation Recoupment Policy (described in Section 11 below) and the applicable terms of Exhibit D attached hereto, the Company will cause Shares to be issued to an unrestricted account in Grantee's name in payment of such vested Performance Units and will cause any Dividend Equivalents attributed to such vested Performance Units to be paid in cash to Grantee or, in the event of death, to Grantee's heirs, subject to the applicable laws of descent and distribution. Notwithstanding the foregoing, (a) in the event of vesting of the Performance Units upon a Change in Control, the Performance Units and any Dividend Equivalents shall be paid in accordance with Section 14.2 of the Plan, and (b) to the extent that (i) the Performance Units constitute "nonqualified deferred compensation" subject to Section 409A, (ii) Grantee is subject to U.S. federal taxation and (iii) the aforementioned sixty (60) day period spans two calendar years, the Performance Units and any Dividend Equivalents will be paid in the second of such calendar years.

8. Transfer Restrictions. The Performance Units may not be sold, assigned, transferred, pledged, or otherwise encumbered in any manner other than by will or the laws of descent and distribution, unless and until the shares of Common Stock underlying the vested Performance Units have been issued.

9. Stockholder Rights. The Performance Units granted pursuant to this Agreement do not and shall not entitle Grantee to any rights of a stockholder of the Company's Common Stock. Grantee's rights with respect to the Performance Units shall remain forfeitable at all times prior to the Vesting Date (or, if later, the Certification Date) or such other date on which the Performance Units vest pursuant to Section 5.

10. Adjustments Upon Specified Events. In the event of a Share Change (as defined in the Plan), the number and class of Shares or other securities that Grantee shall be entitled to, and shall hold, pursuant to this Agreement shall be appropriately adjusted or changed to reflect the Share Change, provided that any such additional Shares or additional or different Shares or securities shall remain subject to the restrictions in this Agreement.

11. Recoupment. All Awards of Performance Units, whether unvested or vested, and any Shares issued or Dividend Equivalents paid on vesting of the Performance Units, shall be subject to the Company's Incentive-Based Compensation Recoupment Policy, as it may be amended from time to time (the "Recoupment Policy"), such that any Award that was made to a Grantee who is subject to the Recoupment Policy, and any Shares or Dividend Equivalents acquired pursuant to such Award, shall be subject to deduction, clawback or forfeiture, as provided under the Recoupment Policy. Further, the Performance Units, whether unvested or vested, and any Shares issued or Dividend Equivalents paid on vesting of the Performance Units, shall be subject to deduction, clawback or forfeiture to the extent required to comply with any recoupment requirement imposed under applicable laws, rules, regulations or stock exchange listing standards. In order to satisfy any recoupment obligation arising under the Recoupment Policy or otherwise under applicable laws, rules, regulations or stock exchange listing standards, among other things, Grantee expressly and explicitly authorizes the Company to issue instructions, on Grantee's behalf, to any brokerage firm or stock plan service provider engaged by the Company to hold any Shares, Dividend Equivalents or other amounts acquired pursuant to the Performance Units to re-convey, transfer or otherwise return such Shares, Dividend Equivalents and/or other amounts to the Company upon the Company's enforcement of the Recoupment Policy.

12. Compliance with Section 409A of the Code for U.S. Taxpayers. The parties intend that this Agreement and the benefits provided hereunder be exempt from the requirements of Section 409A of the Code

(together with any U.S. Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "Section 409A") to the maximum extent possible, whether pursuant to the short-term deferral exception described in Treasury Regulation Section 1.409A-1(b)(4) or otherwise. However, to the extent that the Performance Units (or any portion thereof) may be subject to Section 409A, the parties intend that this Agreement and such benefits comply with the deferral, payout, and other limitations and restrictions imposed under Section 409A and this Agreement shall be interpreted, operated and administered in a manner consistent with such intent. Notwithstanding any other provision of the Plan or this Agreement, the Committee shall have the right in its sole discretion (without any obligation to do so or to indemnify Grantee or any other person for failure to do so) to adopt such amendments to the Plan or this Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Committee determines are necessary or appropriate either for the Performance Units to be exempt from the application of Section 409A or to comply with the requirements of Section 409A. Nothing in this Agreement or the Plan shall provide a basis for any person to take action against the Company or any Subsidiary based on matters covered by Section 409A of the Code, including the tax treatment of any amount paid or Performance Units granted under this Agreement, and neither the Company nor any of its Subsidiaries shall under any circumstances have any liability to Grantee or his or her estate or any other party for any taxes, penalties or interest due on amounts paid or payable under this Agreement, including taxes, penalties or interest imposed under Section 409A.

13. Securities Law and other Legal Compliance. Notwithstanding any other provision of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the Common Stock, the Company shall not be required to deliver any Common Stock issuable upon settlement of the Performance Units prior to the completion of any registration or qualification of the Common Stock under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of the SEC or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. Grantee understands that the Company is under no obligation to register or qualify the Common Stock with the SEC or any state, provincial or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of Common Stock. Further, Grantee agrees that the Company shall have unilateral authority to amend the Plan and this Agreement without Grantee's consent to the extent necessary to comply with securities or other laws applicable to the issuance of Common Stock.

14. Grantee's Representation. Grantee represents and warrants that he or she is acquiring the Performance Units and any Shares for investment purposes only, and not with a view to distribution thereof.

15. Confidentiality, Inventions, Non-Solicitation and Non-Competition; Stock Ownership Guidelines. In exchange for receipt of consideration in the form of the Performance Unit award pursuant to this Agreement and other good and valuable consideration, Grantee agrees that he/she shall comply with the confidentiality, inventions, non-solicitation and non-competition provisions attached hereto as Exhibit D. Grantee acknowledges its obligations, if and as applicable to Grantee's position, described in the Company's Stock Ownership Guidelines in effect from time to time, as summarized in Exhibit A.

16. Nature of Grant. In accepting the grant, Grantee acknowledges, understands and agrees that:

a) the Plan is established voluntarily by the Company, it is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;

b) the grant of Performance Units is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of performance units, or benefits in lieu of performance units, even if performance units have been granted in the past;

c) all decisions with respect to future Performance Units or other grants, if any, will be at the sole discretion of the Company;

d) the Performance Unit grant and Grantee's participation in the Plan shall not create a right to employment or be interpreted as forming or amending an employment or services contract with the Company and shall not interfere with the ability of the Employer to terminate Grantee's employment or service relationship (if any);

e) Grantee is voluntarily participating in the Plan;

f) the Performance Units and the Shares subject to the Performance Units, and any related income and value, are not intended to replace any pension rights or compensation;

g) the Performance Units and the Shares subject to the Performance Units, and any related income and value, are not part of normal or expected compensation for any purposes including, but not limited to, calculating any severance, resignation, termination, payment in lieu of notice, redundancy, dismissal, end-of-service payments, holiday pay, bonuses, long-service awards, leave-related payments, pension, retirement, welfare benefits or similar payments;

h) the future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty;

i) no claim or entitlement to compensation or damages shall arise from any loss of any right or benefit, or prospective right or benefit, including the forfeiture of Performance Units resulting from the termination of Grantee's employment or other service relationship (for any reason whatsoever whether or not later found to be invalid or in breach of applicable laws in the jurisdiction where Grantee is employed or the terms of Grantee's employment agreement, if any) and any forfeiture of Performance Units or recoupment of Shares resulting from the application of the Recoupment Policy or any other forfeiture or recoupment pursuant to Section 11 of this Agreement;

j) unless otherwise agreed with the Company, the Performance Units and Shares subject to the Performance Units, and any related income and value, are not granted as consideration for, or in connection with, the service Grantee may provide as a director of a Subsidiary; and

k) the Company shall not be liable for any foreign exchange rate fluctuation between Grantee's local currency and the U.S. Dollar that may affect the value of the Performance Units or of any amounts due to Grantee pursuant to the settlement of the Performance Units or the subsequent sale of any Shares acquired upon settlement.

17. Responsibility for Taxes

a) Grantee acknowledges that, regardless of any action taken by the Company or the Employer, the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to Grantee's participation in the Plan and legally applicable to Grantee ("Tax-Related Items"), is and remains Grantee's responsibility and may exceed the amount, if any, actually withheld by the Company or the Employer. Grantee further acknowledges that the Company and/or the Employer (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Performance Units or the Dividend Equivalents, including, but not limited to, the grant, vesting or settlement of the Performance Units, the subsequent sale of Shares acquired pursuant to such settlement and the receipt or payment of any dividends or any Dividend Equivalents and (2) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Performance Units or the Dividend Equivalents to reduce or eliminate Grantee's liability for Tax-Related Items or achieve any particular tax result. Further, if Grantee is subject to Tax-Related Items in more than one jurisdiction, Grantee acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

b) In connection with any relevant taxable or tax withholding event, as applicable, Grantee agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, Grantee authorizes the Company and/or the Employer, or their respective agents, at their discretion, to satisfy any applicable withholding obligations, if any, with regard to all Tax-Related Items by one or a combination of the following:

(i) withholding from Grantee's wages or other cash compensation payable to Grantee by the Company and/or the Employer; or

(ii) withholding from proceeds of the sale of Shares acquired upon vesting/settlement of the Performance Unit either through a voluntary sale or through a mandatory sale arranged by the Company (on Grantee's behalf pursuant to this authorization);

(iii) withholding in Shares to be issued pursuant to the Performance Units; or

(iv) any other method of withholding determined by the Company to comply with applicable laws and the Plan.

c) Notwithstanding Section 17(b) above or Section 17(g) below, if Grantee is subject to the reporting requirements of Section 16(a) of the Exchange Act, then any applicable withholding obligations will be satisfied by withholding in Shares to be issued pursuant to the Performance Units, unless such withholding is not feasible under applicable tax or securities law or has materially adverse accounting consequences, in which case, the Company may satisfy any withholding obligations for Tax-Related Items in accordance with Section 17(b)(i) or (ii).

d) Subject to Section 16.2 of the Plan, the Company may withhold or account for the Tax-Related Items by considering statutory withholding amounts or other applicable withholding rates in Grantee's jurisdiction(s), including (i) maximum applicable rates, in which case Grantee may receive a refund of any over-withheld amount in cash (whether from applicable tax authorities or the Company) and will have no entitlement to the Common Stock equivalent or (ii) minimum rates or such other applicable rates, in which case Grantee may be solely responsible for paying any additional Tax-Related Items to the applicable tax authorities or the Employer.

e) If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, Grantee is deemed to have been issued the full number of Shares subject to the vested Performance Units, notwithstanding that a number of the Shares is held back solely for the purpose of paying the Tax-Related Items.

f) The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares, if Grantee fails to comply with Grantee's obligations in connection with the Tax-Related Items.

g) To the extent that a withholding obligation for Tax-Related Items arises prior to the Vesting Date or such other vesting event hereunder, the Company may accelerate the vesting of Performance Units to the extent necessary to satisfy such Tax-Related Items in the manner set forth in Section 17(b)(ii) or (iii). However, notwithstanding anything in this Section 17 to the contrary, to the extent that the Performance Units constitute "nonqualified deferred compensation" subject to Section 409A and Grantee is subject to U.S. federal taxation, the number of Shares withheld (or sold on Grantee's behalf) shall not exceed the number of Shares that equals the liability for Tax-Related Items. For avoidance of doubt, any vesting and settlement of Performance Units effected to cover Tax-Related Items pursuant to this Section 17(g) shall apply only to the applicable number of Performance Units and not to any associated Dividend Equivalents thereon, which shall remain subject to vesting on the dates or events set forth in Section 5 and payable pursuant to Section 7 of this Agreement.

18. Data Privacy. ***Grantee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Grantee's personal data as described in this Agreement and any other Performance Unit grant materials ("Data") by and among, as applicable, the Company and its other Subsidiaries and Affiliates for the exclusive purpose of implementing, administering and managing Grantee's participation in the Plan.***

Grantee understands that the Company holds certain personal information about Grantee, including, but not limited to, Grantee's name, home address, email address, telephone number, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any Shares of stock or directorships held in the Company, details of all Performance Units or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in Grantee's favor, for the exclusive purpose of implementing, administering and managing the Plan.

Grantee understands that Data will be transferred to Bank of America Merrill Lynch ("Merrill Lynch"), or such other stock plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration and management of the Plan. Grantee understands that the recipients of the Data may be located in the U.S. or elsewhere, and that the recipients' country (e.g., the U.S.) may have different data privacy laws and protections than Grantee's country. Grantee understands that he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. Grantee authorizes the Company, Merrill Lynch and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his or her participation in the Plan. Grantee understands that Data will be held only as long as is necessary to implement, administer and manage Grantee's participation in the Plan. Grantee understands he or she may, at any time, view Data, request information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the

consents herein, in any case without cost, by contacting in writing his or her local human resources representative. Further, Grantee understands that he or she is providing the consents herein on a purely voluntary basis. If Grantee does not consent, or if Grantee later seeks to revoke his or her consent, his or her employment status will not be adversely affected; the only consequence of refusing or withdrawing Grantee's consent is that the Company would not be able to grant Performance Units or other equity awards to Grantee or administer or maintain such awards. Therefore, Grantee understands that refusing or withdrawing his or her consent may affect Grantee's ability to participate in the Plan. For more information on the consequences of Grantee's refusal to consent or withdrawal of consent, Grantee understands that he or she may contact his or her local human resources representative.

19. No Advice Regarding Grant. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Grantee's participation in the Plan, or Grantee's acquisition or sale of the underlying Shares. Grantee should consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan.

20. Insider Trading/Market Abuse Restrictions. Grantee may be subject to insider trading restriction and/or market abuse laws in applicable jurisdictions including, but not limited to, the U.S. and Grantee's country of residence, which may affect Grantee's ability to accept, acquire sell or otherwise dispose of Shares or rights to Shares (*e.g.*, Performance Units) or rights linked to the value of Shares during such times as Grantee is considered to have "inside information" regarding the Company (as defined by the laws in the applicable jurisdictions). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. Grantee is responsible for ensuring Grantee's own compliance with any applicable restrictions and is advised to speak with his or her personal legal advisor on this matter.

21. Foreign Asset / Account or Tax Reporting; Exchange Control. Grantee acknowledges that there may be certain exchange control, foreign asset/account, or tax reporting requirements which may affect Grantee's ability to acquire or hold Shares acquired under the Plan or cash received from participating in the Plan (including from any dividends or Dividend Equivalents) in a brokerage or bank account outside Grantee's country. Grantee may be required to report such accounts, assets or transactions to the tax or other authorities in his or her country. Grantee also may be required to repatriate sale proceeds or other funds received as a result of Grantee's participation in the Plan to his or her country through a designated bank or broker within a certain time after receipt. Grantee acknowledges that it is Grantee's responsibility to be compliant with such regulations, and Grantee should consult his or her personal legal advisor for any details.

22. Electronic Delivery and Participation. The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. Grantee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or any third party designated by the Company. By Grantee's execution of this Agreement or acceptance by electronic means and the electronic signature of the Company's representative, Grantee and the Company agree that this Performance Units is granted under and governed by the terms and conditions of the Plan and this Agreement.

23. Country-Specific Terms and Conditions. Notwithstanding any provisions in this Agreement, the Performance Unit grant shall be subject to any additional terms and conditions set forth in Exhibit C to this Agreement for Grantee's country. Moreover, if Grantee relocates to one of the countries included in Exhibit C, the additional terms and conditions for such country will apply to Grantee, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. Exhibit C constitutes part of this Agreement.

24. Language. Grantee acknowledges that he or she is sufficiently proficient in English, or has consulted with an advisor who is sufficiently proficient in English, so as to allow Grantee to understand the terms of this Agreement. Furthermore, if Grantee has received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

25. Imposition of Other Requirements. The Company reserves the right to impose other requirements on Grantee's participation in the Plan, on the Performance Units and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require Grantee to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

26. Governing Law and Venue. Except with respect to Exhibit D, the Performance Unit grant and the provisions of this Agreement and the validity, interpretation, construction and performance of same shall be governed by, and subject to, the laws of the State of Delaware, without regard to its conflict of law provisions. Any and all disputes relating to, concerning or arising from this Agreement, or relating to, concerning or arising from the relationship between the parties evidenced by the Performance Units or this Agreement, shall be brought and heard exclusively in the U.S. District Court for the District of Delaware or the Delaware Superior Court, New Castle County. Each of the parties hereby represents and agrees that such party is subject to the personal jurisdiction of said courts; hereby irrevocably consents to the jurisdiction of such courts in any legal or equitable proceedings related to, concerning or arising from such dispute, and waives, to the fullest extent permitted by law, any objection which such party may now or hereafter have that the laying of the venue of any legal or equitable proceedings related to, concerning or arising from such dispute which is brought in such courts is improper or that such proceedings have been brought in an inconvenient forum.

27. Severability. The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

28. Waiver. Grantee acknowledges that a waiver by the Company of any provision, or breach thereof, of this Agreement on any occasion shall not operate or be construed as a waiver of such provision on any other occasion or as a waiver of any other provision of this Agreement, or of any subsequent breach by Grantee or any other Plan participant.

29. Pronouns; Including. Wherever appropriate in this Agreement, personal pronouns shall be deemed to include the other genders and the singular to include the plural. Wherever used in this Agreement, the term “including” means “including, without limitation.”

30. Successors in Interest. This Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns, whether by merger, consolidation, reorganization, sale of assets, or otherwise. This Agreement shall inure to the benefit of Grantee’s legal representatives. All obligations imposed upon Grantee and all rights granted to the Company under this Agreement shall be final, binding, and conclusive upon Grantee’s heirs, executors, administrators, and successors.

31. Integration. This Agreement, along with any Exhibit hereto, encompasses the entire agreement of the parties related to the subject matter of this Agreement, and supersedes all previous understandings and agreements between them, whether oral or written, except as otherwise described specifically in Exhibit D. The parties hereby acknowledge and represent, that they have not relied on any representation, assertion, guarantee, warranty, collateral contract or other assurance, except those set out in this Agreement, made by or on behalf of any other party or any other person or entity whatsoever, prior to the execution of this Agreement.

32. Interpretation. The Committee shall have the sole and absolute authority to interpret, construe and apply the terms of the Plan and this Agreement and to make any and all determinations under them. Any determination or decision by the Committee shall be final, binding and conclusive upon Grantee, Grantee’s legal representative and the Company for all purposes.

****

By completing the online acceptance process, Grantee accepts the grant of Performance Units and agrees to all the terms and conditions described in this Agreement and in the Plan.

PLEASE RETAIN THIS AGREEMENT AND ALL EXHIBITS FOR YOUR RECORDS.

EXHIBIT A

STOCK OWNERSHIP GUIDELINES AND RETENTION REQUIREMENT

It is the Company's belief and expectation that executives should own a reasonable amount of Common Stock to further align their interests with those of our stockholders. Accordingly, you acknowledge that you have read the Company's Stock Ownership Guidelines ("Guidelines"), as posted on the Company's website, and that you are expected to adhere to those Guidelines.

Your stock ownership level and retention requirements are set forth below based on the Grantee Level stated on the first page of this Agreement.

Grantee Level / Title	Ownership Multiple of Annual Base Salary	Retention Requirement Percentage
0 – CEO	6	50%
1 – Other Named Executive Officers (NEOs)	3	50%
2 – Senior Vice Presidents (other than NEOs)	2	50%
3 – All Other Associates/Participants	0	0%

EXHIBIT B

PERFORMANCE GOAL FOR
ROIC PERFORMANCE UNIT AWARD

Grant ID: /$GrantID$/

Grant Date: /$GrantDate$/

Target Share Units: /$AwardsGranted$/

Performance Period: Three-Year Period Comprised of Fiscal Years 2024, 2025 and 2026 (September 1, 2023 through August 31, 2026)

Measurement Date: August 31, 2026 (end of third fiscal year)

Vesting Date: The later of the date on which the Committee certifies the achievement level of the Performance Goal after the Measurement Date, or the third anniversary of the Grant Date, October 24, 2026

Performance Goal:

The achievement of a level of Return on Invested Capital ("ROIC") in excess of the Weighted Cost of Capital ("WACC") (the "Performance Measure") between the Target and Maximum shown in the table below (the "Achievement Level"). Final performance will be measured against the payout curve as of the Measurement Date. The number of shares you will receive will be calculated by multiplying your Target Share Units by the Payout % between 100% and 200%. The exact Payout % will be determined by linear interpolation of the Achievement Level of the Performance Measure between the Target and Maximum. **If the Performance Measure is below Target, no payout will be received.**

The following table shows the Achievement Level at Target, Mid-Point and Maximum.

	0% Payout	**Target Payout**	**Mid-Point Payout**	**Maximum Payout**
Performance Measure	< 2 percentage points	≥ 2 percentage points	≥ 4 percentage points	≥ 6 percentage points
Achievement Level	0%	100%	150%	200%

The Performance Measure will be calculated at the end of each fiscal year. The Achievement Level will be equal to the average of each annual Performance Measure over the Performance Period as follows:

$$\textbf{Achievement Level} = \frac{\text{Performance Measure at Yr1} + \text{Performance Measure at Yr2} + \text{Performance Measure at Yr3}}{3}$$

Calculation of annual ROIC and WACC Measures:

$$\textbf{ROIC Measure} = \frac{\text{Net Operating Profit after Tax } ^{(1)}}{\text{Average Total Capital } ^{(2)} \text{ (Debt + Equity – Excess Cash } ^{(3)})}$$

(1) ROIC may be adjusted to obtain a measure more reflective of normal operations; such adjustments are identified later in this document.
(2) Average based on ending balances of most recent 5 quarters.
(3) Excess cash represents cash balances in excess of $100 million.

WACC Measure = Calculation of a firm's cost of capital in which each category of capital is proportionately weighted and based on the average for most recent 5 quarters.

Adjustments:

At the discretion of the Compensation Committee, the Company's calculated ROIC and/or WACC as of the Measurement Date may be adjusted to derive the Achievement Level for purposes of determining the number of Performance Stock Units earned under this award. Such adjustments may be added to or deducted to obtain a measure more reflective of normal operations and may, at the Committee's discretion, included one or more of the following: (a) special charges for streamlining efforts and impairments, (b) the distortive effect of business acquisitions and/or dispositions, (c) purchase accounting adjustments, (d) significant changes in income tax rates or regulations, (e) significant changes in foreign currency, (f) refinancing or extinguishment of debt, (g) changes in accounting principles or accounting policies, and (h) any other unusual gain or loss or event deemed appropriate by the Committee.

Payout Example:

A payout example assuming an award of 100 Target Share Units follows:

	ROIC	WACC	ROIC in excess of WACC	Payout %	Actual Shares Received
Year 1	13.7%	9.2%			
Year 2	15.0%	10.5%			
Year 3	17.3%	10.8%			
3-Year Average	**15.3%**	**10.2%**	**5.1%**	**155%**	**155**

EXHIBIT C

ADDITIONAL TERMS AND CONDITIONS FOR GRANTEES OUTSIDE THE U.S.

Terms and Conditions

This Exhibit C includes additional terms and conditions that govern the Performance Units granted to Grantee under the Plan if Grantee resides in one of the countries listed below. These terms and conditions are in addition to, or if so indicated, in place of the terms and conditions in the Agreement. If Grantee is a citizen or resident of a country other than the one in which he or she is currently working, transferred employment and/or residency after the Performance Units were granted, or is considered a resident of another country for local law purposes, the Company shall, in its discretion, determine to what extent the terms and conditions contained herein shall be applicable to Grantee.

Notifications

This Exhibit C also includes information regarding exchange controls and certain other issues of which Grantee should be aware with respect to his or her participation in the Plan. The information is based on the securities, exchange control, and other laws in effect in the respective countries as of June 2023. Such laws are often complex and change frequently. As a result, the Company strongly recommends that Grantee not rely on the information in this Exhibit C as the only source of information relating to the consequences of Grantee's participation in the Plan because the information may be out of date at the time that the Performance Units vest or Grantee sells Shares.

In addition, the information contained herein is general in nature and may not apply to Grantee's particular situation, and the Company is not in a position to assure Grantee of a particular result. Accordingly, Grantee should seek appropriate professional advice as to how the relevant laws in Grantee's country may apply to his or her situation.

If Grantee is a citizen or resident of a country other than the one in which he or she is currently working, transferred employment and/or residency after the Performance Units were granted, or is considered a resident of another country for local law purposes, the notifications contained herein may not be applicable to Grantee.

Certain capitalized terms used but not defined in this Exhibit C have the meanings set forth in the Plan and the Agreement.

EUROPEAN UNION/EUROPEAN ECONOMIC AREA
(Including United Kingdom)

Data Privacy. The provisions below replace Section 18 of the Agreement if Grantee is located in the European Union/European Economic Area (including the United Kingdom).

a) Data Collection and Usage. Pursuant to applicable data protection laws, Grantee is hereby notified that, in order to perform this Agreement and facilitate Grantee's participation in the Plan, the Company will collect, process, use, and transfer Grantee's Personal Data (as defined herein) for purposes of allocating Shares and implementing, administering, and managing the Plan. Where required, the legal basis underlying the Company's collection, use, transfer and other processing of Grantee's Personal Data is the necessity of the processing (i) for the performance of this Agreement subject to the terms and conditions set forth in the Plan, (ii) to comply with legal obligations to which the Company is subject according to European Union ("EU"), European Economic Area ("EEA") or Member State law, or (iii) the pursuit of the Company's legitimate interest to comply with legal obligations to which the Company is subject according to law established outside the EU/EEA. Grantee's personal data and personally-identifiable information processed by the Company includes Grantee's name, home address, telephone number and email address, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any equity or directorships held in the Company and any Subsidiary, details of all Performance Units or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested, or outstanding in Grantee's favor, which the Company receives from Grantee or the Employer ("Personal Data"). Grantee's provision of Personal Data is a contractual requirement under this Agreement and the Plan. Grantee's refusal to provide Personal Data would make it impossible for the Company to perform its contractual obligations and may affect Grantee's ability to participate in the Plan.

b) Stock Plan Administration Service Providers. The Company transfers Personal Data to Merrill Lynch, Pierce, Fenner & Smith Incorporated (including its affiliated companies; collectively "Bank of America Merrill Lynch"), an independent service provider with operations relevant to the Company in the United States, which assists the Company with the implementation, administration, and management of the Plan. In this case, Grantee's Personal Data will only be accessible by those individuals requiring access to it for purposes of implementing, administering, and operating the Plan. Grantee will be asked to agree on separate terms and data processing practices with Bank of America Merrill Lynch, which is a condition to Grantee's ability to participate in the Plan. In the future, the Company may select a different service provider, which will act in a similar manner, and share Personal Data with such service provider.

c) International Data Transfers. The Company and Bank of America Merrill Lynch are based in the United States, which means that it will be necessary for Personal Data to be transferred to, and processed in, the United States. If Grantee is outside the United States, Grantee should note that his or her country may have enacted data privacy laws that are different from the laws of the United States. Further, in the absence of appropriate safeguards such as EU Standard Contractual Clauses published by the EU Commission, the processing of Grantee's Personal Data in the United States or, as the case may be, other countries, might not be subject to substantive data processing principles or supervision by data protection authorities. In addition, Grantee might not have enforceable rights regarding the processing of his or her Personal Data in such countries.

The Company provides appropriate safeguards for protecting Personal Data that it receives in the United States through its adherence to EU Standard Contractual Clauses entered into between the Company and its Subsidiaries and Affiliates within the EU, the EEA and the United Kingdom. Grantee can ask for copies of such EU Standard Contractual Clauses using the following contact details: Rob Selker at rob.selker@eldoled.com, Loic Mrissa at lmrissa@distech-controls.com, or Ian Doyle at IDoyle@holophane.co.UK, or their successors. Bank of America Merrill Lynch has not implemented appropriate safeguards such as the EU Standard Contractual Clauses. As a consequence, if Grantee is located in the EU, the EEA or the United Kingdom, Personal Data is transferred by the Company to Bank of America Merrill Lynch solely based on Grantee's consent provided to the Company as follows:

If Grantee is located in the EU, the EEA or the United Kingdom, by signing or otherwise entering into this Agreement, Grantee unambiguously consents to the onward transfer of Personal Data by the Company to Bank of America Merrill Lynch as described in Section 18(c) above. Grantee understands that granting such consent is voluntary and that Grantee may, at any time and with future effect, refuse to provide such consent or withdraw such consent by contacting Rob Selker at rob.selker@eldoled.com, Loic Mrissa at lmrissa@distech-controls.com, or Ian Doyle at IDoyle@holophane.co.UK, or their successors. If Grantee does not consent or later withdraws consent, Grantee's employment status or service with the Employer will not be affected. The only consequence of not providing or withdrawing consent is that the Company would not be able to grant Performance Units or other equity awards to Grantee or administer or maintain such awards. Therefore, Grantee understands that refusing or withdrawing consent may affect his or her ability to participate in the Plan. For more information on the consequences of refusal or withdrawal of consent, Grantee may contact Rob Selker at rob.selker@eldoled.com, Loic Mrissa at lmrissa@distech-controls.com, or Ian Doyle at IDoyle@holophane.co.UK, or their successors.

d) Data Retention. The Company will use Grantee's Personal Data only as long as is necessary to implement, administer and manage Grantee's participation in the Plan or as required to comply with legal or regulatory obligations, including under tax, labor, securities, and exchange control laws. This period may extend beyond Grantee's employment with the Employer. When the Company no longer needs Grantee's Personal Data, the Company will remove it from it from its systems to the fullest extent reasonably practicable. If the Company keeps Personal Data longer, it would be to satisfy legal or regulatory obligations and the Company's legal basis would be relevant laws or regulations.

e) Data Subject Rights. Grantee has a number of rights under data privacy laws in his or her country. Depending on where Grantee is based and subject to the applicable statutory conditions, Grantee's rights include the right to (a) request access or copies of Personal Data the Company processes, (b) rectification of incorrect or incomplete data, (c) deletion of data, (d) restrictions on processing, (e) object to the processing for legitimate interests, (f) portability of data, (g) lodge complaints with competent authorities in Grantee's country, and/or (h) request a list with the names and addresses of any potential recipients of Grantee's Personal Data. To receive clarification regarding Grantee's rights or to exercise Grantee's rights, Grantee should contact his or her local human resources representative.

Controller and Authorized EU Representative. The Company is the controller responsible for the processing of Grantee's Personal Data as described in this Section 18. The Company's authorized representatives in the EU are Rob Selker, eldoLED B.V., Science Park Eindhoven 5125, 5692 ED Son, The Netherlands, and Loic Mrissa, Distech Controls, ZAC de Sacuny, 558 avenue Marcel Mérieux Brignais, France, or their successors.

CANADA
(Quebec Only)

Terms and Conditions

French Language Documents. A French translation of this document and the Plan will be made available to Grantee as soon as reasonably practicable. Notwithstanding anything to the contrary in the Agreement, and unless Grantee indicates otherwise, the French translation of this document and the Plan will govern Grantee's participation in the Plan.

Documents en Langue Française. *Une traduction française du présent document et du Plan sera mise à la disposition du Grantee dès que cela sera raisonnablement possible. Nonobstant toute disposition contraire dans le Contrat, et à moins que le Grantee n'indique le contraire, la traduction française du présent document et du Plan régira la participation du Grantee au Plan.*

Data Privacy. The following provision supplements Section 18 of the Agreement:

Grantee hereby authorizes the Company and the Company's representatives to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. Grantee further authorizes the Company, any Subsidiary or Affiliate to disclose and discuss the Plan with their advisors. Grantee further authorizes the Company and any Subsidiary or Affiliate to record such information and to keep such information in Grantee's employee file. Grantee acknowledges that Grantee's personal information, including any sensitive personal information, may be transferred or disclosed outside the province of Quebec, including to the U.S. If applicable, Grantee also acknowledges and authorizes the Company, the Employer, and Merrill Lynch to use technology for profiling purposes and to make automated decisions that may have an impact on Grantee or the administration of the Plan.

CANADA
(All Provinces, Including Quebec)

Terms and Conditions

Termination of Service. The following provision supplements Section 5(d) of the Agreement:

Notwithstanding Section 5(d) of the Agreement, if applicable employment standards legislation explicitly requires continued entitlement to vesting during a statutory notice period, Grantee's right to vest in the RSUs under the Plan, if any, will terminate effective as of the last day of Grantee's minimum statutory notice period, but Grantee will not earn or be entitled to pro-rated vesting if the Vesting Date falls after the end of Grantee's statutory notice period, nor will Grantee be entitled to any compensation for lost vesting.

Notifications

Securities Law Notice. Grantee acknowledges that he or she is permitted to sell the Shares acquired under the Plan through Bank of America Merrill Lynch or other such stock plan service provider as may be selected by the Company in the future, provided the sale of the Shares takes place outside of Canada through facilities of a stock exchange on which the Shares are listed. The Shares are currently listed on the New York Stock Exchange.

Foreign Asset and Account Reporting Information. Canadian residents may be required to report foreign specified property on Form T1135 (Foreign Income Verification Statement) if the total cost of the foreign specified property exceeds C$100,000 at any time in the year. Foreign specified property includes Shares acquired under the Plan and may include the Performance Units, and their cost generally is the adjusted cost base ("ACB") of the Shares. The ACB ordinarily would equal the fair market value of the Shares at the time of acquisition, but if the Canadian resident owns other Shares, whether acquired under the Plan or outside of it, the ACB of Shares acquired pursuant to this Agreement may have to be averaged with the ACB of the other Shares.

The Form T1135 generally must be filed by April 30 of the following year. Canadian residents should consult with a personal advisor to ensure compliance with the applicable reporting requirements.

FRANCE

Terms and Conditions

Performance Units Not French-qualified. The Performance Units granted under this Agreement are not intended to qualify for specific tax and social security treatment pursuant to Sections L. 225-197-1 to L. 225-197-6 of the French Commercial Code, as amended.

Language Consent. By accepting the grant, Grantee confirms having read and understood the Plan and Agreement which were provided in the English language. Grantee accepts the terms of those documents accordingly.

Consentement linguistique. *En acceptant l'attribution, le Participant confirme avoir lu et compris le Plan et le Contrat, qui ont été communiqués en langue anglaise. Le Participant accepte les termes de ces documents en connaissance de cause.*

Notifications

Foreign Asset and Account Reporting Information. French residents holding cash or Shares outside France must declare all foreign bank and brokerage accounts (including any accounts that were closed during the tax year) on an annual basis, together with their income tax return.

GERMANY

Notifications

Exchange Control Information. Cross-border payments in excess of €12,500 must be reported to the German Federal Bank (*Bundesbank*) If Grantee receives a payment in excess of €12,500 (including if Grantee acquires Shares under the Plan or receives dividends or Dividend Equivalents with a value in excess of this amount or sells Shares via a foreign broker, bank, or service provider and receives proceeds in excess of this amount), Grantee must report the payment to *Bundesbank*, *either* electronically using the "General Statistics Reporting Portal" (*Allgemeines Meldeportal Statistik*) available via *Bundesbank*'s website (www.bundesbank.de) or by such other method (*e.g.*, by email or telephone) as is permitted or required by *Bundesbank*. The report must be submitted monthly or within such other timing as is permitted or required by *Bundesbank*. Grantee should consult Grantee's personal legal advisor to ensure compliance with the applicable reporting requirements.

Foreign Asset/Account Reporting Information. If Grantee's acquisition of Shares under the Plan leads to a "qualified participation" at any point during the calendar year, Grantee will need to report the acquisition of Shares when Grantee files his or her tax return for the relevant year. A qualified participation is attained if (i) the value of the Shares acquired exceeds €150,000 or (ii) the Shares held exceed 10% of the total Common Stock. However, provided the Common Stock continues to be listed on a recognized stock exchange (*e.g.*, the New York Stock Exchange) and Grantee owns less than 1% of the Company, this requirement will not apply. Grantee should consult with his or her personal tax advisor to ensure Grantee complies with applicable reporting obligations.

ITALY

Terms and Conditions

Terms of Grant. By accepting the Performance Units, Grantee acknowledges that (a) Grantee has received a copy of the Plan, the Agreement and this Exhibit C; (b) Grantee has reviewed those documents in their entirety and fully understands the contents thereof; and (c) Grantee accepts all provisions of the Plan and the Agreement, including this Exhibit C. Grantee further acknowledges that Grantee has read and specifically and expressly approves, without limitation, the following sections of the Agreement: Section 3 (Acceptance of Performance Unit Award); Section 5 (Vesting of Performance Unit Award); Section 14 (Grantee's Representation); Section 15 (Confidentiality, Inventions, Non-Solicitation and Non-Competition); Section 16 (Nature of Grant); Section 17

(Responsibility for Taxes); Section 18 (Data Privacy); Section 20 (Insider Trading/Market Abuse Restrictions); Section 24 (Language) and Section 26 (Governing Law and Venue).

Notifications

Foreign Asset / Account Reporting Requirement. Italian residents who, during any fiscal year, hold investments or financial assets outside Italy (*e.g.*, cash, Shares) which may generate income taxable in Italy must report such investments or assets in their annual tax return or on a special form if no tax return is due. These reporting obligations also apply if an Italian resident is the beneficial owner of foreign financial assets under Italian money laundering provisions.

MEXICO

Terms and Conditions

Labor Law Policy and Acknowledgment. By participating in the Plan, Grantee expressly recognizes that Acuity Brands Inc., with registered offices at 1170 Peachtree Street, NE Suite 1200, Atlanta, GA 30309, U.S., is solely responsible for the administration of the Plan and that Grantee's participation in the Plan and acquisition of Shares does not constitute a relationship as an Employee with the Company since Grantee is participating in the Plan on a wholly commercial basis and the sole Employer is a Subsidiary or Affiliate of the Company ("Acuity-Mexico"). Based on the foregoing, Grantee expressly recognizes that the Plan and the benefits that may be derived from participation in the Plan do not establish any rights between Grantee and the Employer, Acuity-Mexico, and do not form part of the employment conditions and/or benefits provided by Acuity-Mexico and any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of Grantee's relationship as an Employee.

Grantee further understands that Grantee's participation in the Plan is as a result of a unilateral and discretionary decision of the Company. Therefore, the Company reserves the absolute right to amend and/or discontinue Grantee's participation at any time without any liability to Grantee.

Finally, Grantee hereby declares that Grantee does not reserve to himself or herself any action or right to bring any claim against the Company for any compensation or damages regarding any provision of the Plan or the benefits derived under the Plan, and Grantee therefore grants a full and broad release to the Company, the Employer, its Subsidiaries and Affiliates, branches, representation offices, its stockholders, officers, agents or legal representatives with respect to any claim that may arise.

Política de Ley Laboral y Reconocimiento. *Participando en el Plan, el Participante reconoce expresamente que* Acuity Brands Inc.*, con oficinas registradas en 1170 Peachtree Street, NE Suite 1200, Atlanta, GA 30309, U.S., es el único responsable de la administración del Plan y que la participación del Participante en el mismo y la compra de acciones bursátiles no constituye de ninguna manera una relación laboral entre Usted y la Compañía dado que su participación en el Plan deriva únicamente de una relación comercial y que su único empleador es una Subsidiaria o Afiliada del la Compañía ("Acuity-Mexico"). Derivado de lo anterior, el Participante expresamente reconoce que el Plan y los beneficios que pudieran derivar del mismo no establecen ningún derecho entre el Participante y el empleador, Acuity-Mexico, y no forman parte de las condiciones laborales y/o prestaciones otorgadas por Acuity-Mexico, y cualquier modificación al Plan o la terminación del mismo no podrá ser interpretada como una modificación o degradación de los términos y condiciones de su trabajo.*

Asimismo, el Participante entiende que su participación en el Plan es resultado de la decisión unilateral y discrecional de la Compañía. Por lo tanto, la Compañía se reserva el derecho absoluto para modificar y/o terminar la participación del Participante en cualquier momento, sin ninguna responsabilidad ante el Participante.

Finalmente, el Participante manifiesta que no se reserva ninguna acción o derecho que origine una demanda en contra de la Compañía por cualquier compensación o daño en relación con cualquier disposición del Plan o de los beneficios derivados del mismo, y en consecuencia el Participante otorga un amplio y total finiquito a la Compañía, el Empleador, sus Subsidiarias y Afiliadas, sucursales, oficinas de representación, sus accionistas, directores, agentes y representantes legales con respecto a cualquier demanda que pudiera surgir.

Securities Law Information. The Performance Units and the Shares offered under the Plan have not been registered with the National Register of Securities maintained by the Mexican National Banking and Securities Commission and cannot be offered or sold publicly in Mexico. In addition, the Plan, the Agreement and any other

document relating to the Performance Units may not be publicly distributed in Mexico. These materials are addressed to Grantee only because of Grantee's existing relationship with the Company and these materials should not be reproduced or copied in any form. The offer contained in these materials does not constitute a public offering of securities but rather constitutes a private placement of securities addressed specifically to individuals who are present Employees in Mexico made in accordance with the provisions of the Mexican Securities Market Law, and any rights under such offering shall not be assigned or transferred.

NETHERLANDS

There are no country specific provisions.

UNITED KINGDOM

Terms and Conditions

Issuance of Shares upon Vesting. The following supplements Section 7 of the Agreement:

Notwithstanding anything to the contrary in the Plan or the Agreement, Performance Units granted to Grantees resident in the United Kingdom ("U.K.") shall be paid in Shares only.

Responsibility for Taxes. The following supplements Section 17 of the Agreement:

Without limitation to Section 17 of the Agreement, Grantee hereby agrees that he or she is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items, as and when requested by the Company, the Employer or by HM Revenue & Customs ("HMRC") (or any other tax authority or any other relevant authority). Grantee also hereby agrees to indemnify and keep indemnified the Company and (if different) the Employer against any Tax-Related Items that they are required to pay or withhold or have paid or will pay to HMRC (or any other tax authority or any other relevant authority) on Grantee's behalf.

Notwithstanding the foregoing, if Grantee is a director or executive officer of the Company (within the meaning of Section 13(k) of the Exchange Act), the terms of immediately foregoing provision will not apply. In this case, the amount of the income tax not collected within ninety (90) days of the end of the U.K. tax year in which an event giving rise to the Tax-Related Items occurs may constitute a benefit to Grantee on which additional income tax and National Insurance contributions ("NICs") may be payable. Grantee understands that he or she will be responsible for reporting any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for paying the Company or the Employer, as applicable, for the value of any employee NICs due on this additional benefit, which may be recovered from Grantee by the Company or the Employer at any time thereafter by any of the means referred to in Section 17 of the Agreement.

EXHIBIT D

CONFIDENTIALITY, INVENTIONS, NON-SOLICITATION AND NON-COMPETITION PROVISIONS

1. Definitions.

A. **"Confidential Information"** "Confidential Information" means the following:

i. data and information relating to the Company's Business (as defined herein); which is disclosed to Grantee or of which Grantee became aware of as a consequence of Grantee's relationship with the Company; has value to the Company; is not generally known to the competitors of the Company; and which includes trade secrets, methods of operation, names of customers, price lists, financial information and projections, personnel data, and similar information. For purposes of the Confidentiality, Inventions, Non-Solicitation and Non-Competition Provisions (the "Confidentiality Provisions"), subject to the foregoing, and according to terminology commonly used by the Company, the Company's Confidential Information shall include, but not be limited to, information pertaining to: (1) business opportunities; (2) data and compilations of data relating to the Company's Business; (3) compilations of information about, and communications and agreements with, customers and potential customers of the Company; (4) computer software, hardware, network and internet technology utilized, modified or enhanced by the Company or by Grantee in furtherance of Grantee's duties with the Company; (5) compilations of data concerning Company products, services, customers, and end users including but not limited to compilations concerning projected sales, new project timelines, inventory reports, sales, and cost and expense reports; (6) compilations of information about the Company's employees and independent contracting consultants; (7) the Company's financial information, including, without limitation, amounts charged to customers and amounts charged to the Company by its vendors, suppliers, and service providers; (8) proposals submitted to the Company's customers, potential customers, wholesalers, distributors, vendors, suppliers and service providers; (9) the Company's marketing strategies and compilations of marketing data; (10) compilations of data or information concerning, and communications and agreements with, vendors, suppliers and licensors to the Company and other sources of technology, products, services or components used in the Company's Business; (11) any information concerning services requested and services performed on behalf of customers of the Company, including planned products or services; and (12) the Company's research and development records and data. Confidential Information also includes any summary, extract or analysis of such information together with information that has been received or disclosed to the Company by any third party as to which the Company has an obligation to treat as confidential.

ii. Confidential Information shall not include:

a) Information generally available to the public other than as a result of improper disclosure by Grantee;

b) Information that becomes available to Grantee from a source other than the Company (provided Grantee has no knowledge that such information was obtained from a source in breach of a duty to the Company);

c) Information disclosed pursuant to law, regulations or pursuant to a subpoena, court order or legal process; and/or

d) Information obtained in filings with the Securities and Exchange Commission.

B. **"Trade Secrets"** has the meaning set forth under Georgia law, O.C.G.A. §§ 10-1-760, et seq.

C. **"Customers"** means those entities and/or individuals which, within the two-year period preceding the Date of Termination (as that term is defined in the Performance Unit Award Agreement): (i) Grantee had material contact on behalf of the Company; (ii) about whom Grantee acquired, directly or indirectly, Confidential Information or Trade Secrets as a result of his/her employment with the Company; and/or (iii) Grantee exercised oversight or responsibility of subordinates who engaged in Material Contact on behalf of the Company. Additionally, "Customers" references only those entities and/or individuals with whom the Company currently has a business relationship, or with whom it expended resources to have or resume the same during the two-year period referenced herein.

D. **"Company"** means Acuity Brands, Inc., along with its Subsidiaries or other Affiliates.

E. **"Company's Business"** means the design, manufacture, installation, servicing, and/or sale of one or more of the following and any related products and/or services: lighting fixtures and systems; lighting control components and systems (including but not limited to dimmers, switches, relays, programmable lighting controllers, sensors, timers, and range extenders for lighting and energy management and other purposes); building management and/or control systems; commercial building lighting controls; intelligent building automation and energy management products, software and solutions; motorized shading and blind controls; building security and access control and monitoring for fire and life safety; emergency lighting fixtures and systems (including but not limited to exit signs, emergency light units, inverters, back-up power battery packs, and combinations thereof); battery powered and/or photovoltaic lighting fixtures; electric lighting track units; hardware for mounting and hanging electrical lighting fixtures; aluminum, steel and fiberglass fixture poles for electric lighting; light fixture lenses; sound and electromagnetic wave receivers and transmitters; flexible and modular wiring systems and components (namely, flexible branch circuits, attachment plugs, receptacles, connectors and fittings); LED drivers and other power supplies; daylighting systems including but not limited to prismatic skylighting and related controls; organic LED products and technology; medical and patient care lighting devices and systems; indoor positioning products and technology; software and hardware solutions that collect data about building and business operations and occupant activities via sensors and use that data to provide software services or data analytics; sensor based information networks; and any wired or wireless communications and monitoring hardware or software related to any of the above. This shall not include any product or service of the Company if the Company is no longer in the business of providing such product or service to its customers at the relevant time of enforcement.

F. **"Employee Services"** shall mean the duties and services of the type conducted, authorized, offered, or provided by Grantee in his/her capacity as an Employee on behalf of the Company within twelve (12) months prior to the Date of Termination.

G. **"Territory"** means the country in which Grantee is employed by the Company (the "Country"). Grantee acknowledges that the Company is licensed to do business in the Country and in fact does business in all states, territories, provinces and other parts of the Country. Grantee further acknowledges that the services she/he has performed on behalf of the Company are at a senior level and are not limited in their territorial scope to any particular city, state, or region, but instead affect the Company's activity within the Country. Specifically, Grantee provides Employee Services on the Company's behalf throughout the Country, meets with Company agents and distributors, develops products and/or contacts throughout the Country, and otherwise engages in his/her work on behalf of the Company on a national level. Accordingly, Grantee agrees that these restrictions are reasonable and necessary to protect the Confidential Information, trade secrets, business relationships, and goodwill of the Company.

H. **"Material Contact"** shall have the meaning set forth in O.C.G.A. § 13-8-51(10), which includes contact between an employee and each Customer or potential Customer: with whom or which Grantee dealt on behalf of the Company; whose dealings with the Company were coordinated or supervised by Grantee; about whom Grantee obtained confidential information in the ordinary course of business as a result of such employee's association with the Company; and/or who receives products or services authorized by the Company, the sale or provision of which results or resulted in compensation, commissions, or earnings for Grantee within two years prior to the Date of Termination.

I. **"Termination for Cause"** or **"Terminated for Cause"** shall mean the involuntary termination of Grantee by the Company for the following reasons:

i. If termination shall have been the result of an act or acts by Grantee which constitute an indictable offense, a felony or any crime involving dishonesty, theft, fraud or moral turpitude;

ii. If termination shall have been the result of an act or acts by Grantee which are determined, in the good faith judgment of the Company, to be in violation of written policies of the Company;

iii. If termination shall have been the result of an act or acts of dishonesty by Grantee resulting or intended to result directly or indirectly in gain or personal enrichment to Grantee at the expense of the Company;

iv. Upon the willful and continued failure by Grantee to substantially perform the duties assigned to Grantee (other than any such failure resulting from incapacity due to mental or physical illness constituting a Disability), after a demand in writing for substantial performance of such duties is delivered by the Company, which demand specifically identifies the manner in which the Company believes that Grantee has not substantially performed his or her duties; or

v. If termination shall have been the result of the unauthorized disclosure by Grantee of the Company's Confidential Information or violation of any other provision of the Confidentiality Provisions.

J. **"Inventions"** and **"Works For Hire."** The term "Invention" means contributions, discoveries, improvements and ideas and works of authorship, whether or not patentable or copyrightable, and: (i) which relate directly to the Company's Business, or (ii) which result from any work performed by Grantee or by Grantee's fellow employees for the Company, or (iii) for which equipment, supplies, facilities, Confidential Information or Trade Secrets of the Company are used, or (iv) which is developed on the Company's time. The term "Works For Hire" ("Works") means all documents, programs, software, creative works and other expressions and information in any tangible medium created, in whole or in part, by Grantee during the period of and relating to his/her employment with the Company, whether copyrightable or otherwise protectable, other than Inventions.

2. Confidentiality, Inventions, Non-Solicitation and Non-Competition.

A. **Purpose and Reasonableness of Provisions.** Grantee acknowledges that, during the term of his/her employment with the Company and after the Date of Termination, the Company has furnished and may continue to furnish to Grantee Trade Secrets and Confidential Information, which, if used by Grantee on behalf of, or disclosed to, a competitor of the Company or other person, could cause substantial detriment to the Company. Moreover, the parties recognize that Grantee, during the term of his/her employment with the Company, has developed important relationships with customers, agents, and others having valuable business relationships with the Company, and that these relationships may continue to develop after the Date of Termination. In view of the foregoing, Grantee acknowledges and agrees that the restrictive covenants contained in this Section 2 are reasonably necessary to protect the Company's legitimate business interests, Confidential Information, and good will.

B. **Trade Secrets and Confidential Information.** Grantee agrees that he/she shall protect the Company's Trade Secrets (as defined in Section 1(b) above) and Confidential Information (as defined in Section 1(a) above) and shall not disclose to any person or entity, or otherwise use or disseminate, except in connection with the performance of his/her duties for the Company, any Trade Secrets or Confidential Information. However, Grantee may make disclosures required by a valid order or subpoena issued by a court or administrative agency of competent jurisdiction, in which event Grantee will promptly notify the Company of such order or subpoena to provide it an opportunity to protect its interests. Grantee's obligations under this Section 2(b) have applied throughout his/her active employment, shall continue after the Date of Termination, and shall survive any expiration or termination of the Confidentiality Provisions, so long as the information or material remains Confidential Information or a Trade Secret, as applicable.

Grantee further confirms that during his/her employment with the Company, including after the Date of Termination, he/she has not and will not offer, disclose or use on Grantee's own behalf or on behalf of the Company, any information Grantee received prior to employment by the Company which was supplied to Grantee confidentially or which Grantee should reasonably know to be confidential.

Nothing in this section prohibits Grantee from reporting possible violations of law or regulation to any governmental agency or entity, or making other disclosures that are protected under the whistleblower provisions of law or regulation. Grantee does not need the prior authorization of the Company to make any such reports or disclosures, and Grantee is not required to notify the Company that Grantee has made such reports or disclosures.

C. **Return of Property**. On or before the Date of Termination, Grantee agrees to deliver promptly to the Company all files, customer lists, management reports, memoranda, research, Company forms, financial data and reports and other documents (including all such data and documents in electronic form) of the Company, supplied to or created by him/her in connection with his/her employment hereunder (including all copies of the foregoing) in his/her possession or control, and all of the Company's equipment and other materials in his/her possession or control. Grantee further agrees and covenants not to retain any

such property and to permanently delete such information residing in electronic format to the best of his/her ability and not to attempt to retrieve it. Grantee's obligations under this Section 2(c) shall survive any expiration or termination of the Confidentiality Provisions.

D. **Inventions.** Grantee does hereby assign to the Company the entire right, title and interest in any Invention which is or was made or conceived, either solely or jointly with others, during his/her employment with the Company, including after the Date of Termination. Grantee attests that he/she has disclosed (or promptly will disclose, if after the Date of Termination) to the Company all such Inventions. Grantee will, if requested, promptly execute and deliver to the Company a specific assignment of title for any such Invention and will at the expense of the Company, take all reasonably required action by the Company to patent, copyright or otherwise protect the Invention.

E. **Non-Competition.** In the event that Grantee,

i. voluntarily resigns from the Company,

ii.is Terminated for Cause (as defined above), or

iii. declines to sign a Confidential Severance Agreement and Release offered by the Company in the event of a termination for any reason other than a Termination for Cause (including, for example, as a result of a position elimination).

Grantee acknowledges and agrees that during his/her employment, and for twelve (12) months after the Date of Termination, he/she has not and will not, directly or indirectly, engage in, provide, or perform any Employee Services on behalf of any person or entity (or, if organized into divisions or units, any distinct division or operating unit) in the Territory that derives revenue from providing goods or services substantially similar to those which comprise the Company's Business. Notwithstanding the foregoing, if the Company terminates Grantee's employment for any reason other than a Termination for Cause (including, for example, as a result of a position elimination), and Grantee signs a Confidential Severance Agreement and Release offered by the Company, the period covered by this non-competition covenant will be reduced to either: (i) the time within which severance payments are scheduled to be paid to Grantee under such agreement, or (ii) if severance is paid to Grantee in a lump sum, the number of weeks of Grantee's then-current regular salary that are used to calculate such lump sum payment; provided, however, that the restrictive period calculated hereunder shall not, in any event, exceed twelve (12) months following the Date of Termination.

F. **Non-Solicitation of Customers**. Grantee acknowledges and agrees that during his/her employment, and for twenty-four (24) months after the Date of Termination, Grantee has not and will not directly or indirectly solicit Customers (as defined in Section 1(c) above) with whom he/she had Material Contact (as defined in 1(g) above) for the purpose of providing goods and/or services competitive with the Company's Business.

G. **Non-Solicitation of Employees and Agents.** Grantee acknowledges and agrees that during his/her employment, and for a period of twenty-four (24) months after the Date of Termination, Grantee has not and will not, directly or indirectly, whether on behalf of Grantee or others, solicit, lure or attempt to hire away any of the Company's employees or agents.

H. **Non-Solicitation of Sales Agents.** Grantee acknowledges and agrees that during his/her employment, and for a period of twenty-four (24) months after the Date of Termination, Grantee has not and will not, directly or indirectly, whether on behalf of Grantee or others, solicit any of the Company's Sales Agents for the purpose of disrupting their relationship with the Company and/or selling and/or facilitating the sale of products competitive with the Company's Business. For purposes of this Section 2, a "Sales Agent" is any third-party agency, and/or its representatives, with which or whom the Company has contracted for the purpose of facilitating the sale of the Company's products during the last twenty-four (24) months of Grantee's employment with the Company.

I. **Injunctive Relief.** Grantee acknowledges that if he/she breaches or threatens to breach any of the provisions of this Section 2, his/her actions may cause irreparable harm and damage to the Company which could not be compensated in damages. Accordingly, if Grantee breaches or threatens to breach any of the provisions of this Section 2, the Company shall be entitled to seek injunctive relief, in addition to any other rights or remedies the Company may have. The existence of any claim or cause of action by

Grantee against the Company, whether predicated on the Confidentiality Provisions or otherwise, shall not constitute a defense to the enforcement by the Company of Grantee's agreements under this Section 2.

3. **Non-Assignable by Grantee**. The parties acknowledge that the Confidentiality Provisions have been entered into due to, among other things, the special skills and knowledge of Grantee, and agree that the Confidentiality Provisions may not be assigned or transferred by Grantee.

4. **Notices**. All notices, requests, demands and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given when delivered or seven days after mailing if mailed first class, certified mail, postage prepaid, addressed as follows:

   If to the Company: Acuity Brands, Inc.
   Attention: Corporate Secretary
   1170 Peachtree Street, NE, Suite 1200
   Atlanta, Georgia 30309

   If to Grantee: To his or her last known address on file with the Company.

   Any party may change the address to which notices, requests, demands and other communications shall be delivered or mailed by giving notice thereof to the other party in the same manner provided herein.

5. **Provisions Severable**. If any provision or covenant, or any part thereof, contained in the Confidentiality Provisions is held by any court, agency, arbitrator or other competent authority to be invalid, illegal, or unenforceable, either in whole or in part, such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of the remaining provisions or covenants, or any part thereof, in the Confidentiality Provisions, all of which shall remain in full force and effect. Each and every provision, paragraph and subparagraph of Section 2 above is severable from the other provisions, paragraphs and subparagraphs and constitutes a separate and distinct covenant. To the extent a court, agency, arbitrator or other competent authority finds that a provision is unenforceable because it is overbroad, the court may modify or reform the provision to the minimum extent necessary for the provision to remain in force and effect for the maximum duration, subject matter scope and geographic area as to which it may be enforceable.

   The restrictive covenants set forth in Section 2 of the Confidentiality Provisions represent the entire agreement of the parties with respect to the subject matter thereof and supersede any prior agreement with respect thereto; provided, however, that the restrictive covenants described in this Exhibit D shall not supersede those set forth in either: (a) any Executive Severance Agreement applicable to Grantee, if any, (b) any Confidentiality, Inventions and Non-Solicitation Agreement to which Grantee is a party, if any, or (c) any restrictive covenants to which Grantee is a party under any employment agreement or offer letter, if any. To the extent that any agreement applicable to Grantee include restrictive covenant provisions that conflict with the provisions contained in these Confidentiality Provisions, the provisions that are more restrictive on Grantee will control.

6. **Waiver**. Failure of either party to insist, in one or more instances, on performance by the other in strict accordance with the terms and conditions of the Confidentiality Provisions shall not be deemed a waiver or relinquishment of any right granted in the Confidentiality Provisions or the future performance of any such term or condition or of any other term or condition of the Confidentiality Provisions, unless such waiver is contained in a writing signed by the party making the waiver.

7. **Amendments and Modifications.** The Confidentiality Provisions and any Exhibit hereto may be amended or modified only by a writing signed by both parties hereto, which makes specific reference to the Confidentiality Provisions. However, this Section does not affect a court of competent jurisdiction or arbitrator`s ability to modify the Confidentiality Provisions, pursuant to O.C.G.A. §§ 13-8-51(11); 53(d); or 54 in the event that either party initiates legal proceedings that relate in any way to this Confidentiality Provisions, including any action brought by either party seeking to enforce any provision set forth herein.

8. **Governing Law and Venue**. The validity and effect of the Confidentiality Provisions shall be governed by and construed and enforced in accordance with the laws of the State of Georgia, United States of America, without regard to its conflict of law provisions. Any and all disputes relating to, concerning or arising from the Confidentiality Provisions, or relating to, concerning or arising from the relationship between the parties evidenced by the Confidentiality Provisions, shall be brought and heard exclusively in the U.S. District Court for the District of Delaware or the Delaware Superior Court, New Castle County. Each of the parties hereby

represents and agrees that such party is subject to the personal jurisdiction of said courts; hereby irrevocably consents to the jurisdiction of such courts in any legal or equitable proceedings related to, concerning or arising from such dispute, and waives, to the fullest extent permitted by law, any objection which such party may now or hereafter have that the laying of the venue of any legal or equitable proceedings related to, concerning or arising from such dispute which is brought in such courts is improper or that such proceedings have been brought in an inconvenient forum.

9. **Legal Fees.** Each party shall pay its own legal fees and other expenses associated with any dispute under the Confidentiality Provisions or any Exhibit hereto.

10. **Tender Back Provision.** If, in the context of a lawsuit involving Grantee or any other person or entity arguing on Grantee's behalf, any court determines that any provisions of Section 2 are void, invalid, illegal, or otherwise unenforceable, Grantee shall be required to immediately return to the Company 70% of all monies paid out under Section 7 of the Performance Unit Award Agreement, or to return 70% of any unsold shares Grantee still owns of such Performance Units awarded under Section 7 of the Performance Unit Award Agreement. For purposes of this section, the amount to be paid back shall be determined by ascertaining the value and amount the share(s) sold at the time that Grantee actually sold such share(s). You acknowledge and agree that this covenant does not constitute a penalty clause.

11. **Tolling Period.** If Grantee is found by a court to have violated any restriction in Section 2 of the Confidentiality Provisions, he/she agrees that the time period for such restriction shall be extended by one day for each day that he/she is found to have violated the restriction, up to a maximum of 18 months.

12. **Language.** The parties acknowledge that they have requested and are satisfied that the Confidentiality Provisions and all related documents be in the English language.

SPECIAL TERMS AND CONDITIONS EXHIBIT TO THE CONFIDENTIALITY, INVENTIONS, NON-SOLICITATION AND NON-COMPETITION PROVISIONS FOR GRANTEES OUTSIDE THE U.S.

This Appendix includes additional country-specific terms and conditions that apply to Grantees in the countries listed below with respect to the Confidentiality, Inventions, Non-Solicitation and Non-Competition Provisions (the "Confidentiality Provisions"). This Appendix is part of the Confidentiality Provisions and contains terms and conditions material to Grantee's rights and obligations under the Confidentiality Provisions. Unless otherwise provided below, capitalized terms used but not defined herein shall have the same meanings assigned to them in the Plan and the Confidentiality Provisions.

CANADA

The following provision replaces Section 1(b) of the Confidentiality Provisions:

> **"Trade Secrets"** means technical or nontechnical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, product plans, a list of actual or potential customers or suppliers, or any other proprietary information which is not commonly known by or available to the public and which information: (A) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who obtain economic value from its disclosure or use; and (B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

The following provision replaces Section 1(h) of the Confidentiality Provisions:

> **"Material Contact"** means contact between an employee and each Customer or potential Customer: with whom or which Grantee dealt on behalf of the Company; whose dealings with the Company were coordinated or supervised by Grantee; about whom Grantee obtained Confidential Information in the ordinary course of business as a result of such employee's association with the Company; and/or who receives products or services authorized by the Company, the sale or provision of which results or resulted in compensation, commissions, or earnings for Grantee within two years prior to the date of the Date of Termination.

The following provision shall be added to Section 1(i) as sub-section (vi):

> "or (vi) Any other act or omission, or a series of acts or omissions, of Grantee which, pursuant to applicable law, constitutes "good and sufficient reason" or "just cause" (either at common law or civil law) for termination of employment without notice, payment in lieu of notice or any indemnity whatsoever."

The following provision replaces Section 1(j) of the Confidentiality Provisions:

> **"Inventions"** and "**Works For Hire."** The term "Invention" means contributions, discoveries, improvements and ideas and works of authorship, whether or not patentable or copyrightable, and: (i) which relate directly to the Company's Business, or (ii) which result from any work performed by Grantee or by Grantee's fellow employees for the Company, or (iii) for which equipment, supplies, facilities, Confidential Information or Trade Secrets of the Company are used, or (iv) which is developed on the Company's time. The term "Works For Hire", also known as "Work Made in the Course of Employment" under s. 13(3) of the Canadian *Copyright Act*, ("Works") means all documents, programs, software, creative works and other expressions and information in any tangible medium created, in whole or in part, by Grantee during the period of and relating to his/her employment with the Company, whether copyrightable or otherwise protectable, other than Inventions.

The following provision replaces Section 2(d) of the Confidentiality Provisions:

> **Inventions.** Grantee does hereby assign to the Company the entire right, title and interest in any Invention which is or was made or conceived, either solely or jointly with others, and does hereby waive any and all other rights in any Inventions that are non-assignable, including, but not limited to common law rights, moral rights or any non-economic rights, during his/her employment with the Company, including after the Date of Termination. Grantee attests that he/she has disclosed (or promptly will disclose, if after the Date of Termination) to the Company all such Inventions. Grantee will, if requested,

promptly execute and deliver to the Company a specific assignment of title for any such Invention and will at the expense of the Company, take all reasonably required action by the Company to patent, copyright or otherwise protect the Invention.

The following provision replaces Section 2(e) of the Confidentiality Provisions:

E. Non-Competition.

Grantee acknowledges and agrees that during his/her employment, and for twelve (12) months after the Date of Termination, he/she has not and will not engage in, provide, or perform any Employee Services on behalf of any person or entity (or, if organized into divisions or units, any distinct division or operating unit) in the Territory that derives revenue from providing goods or services substantially similar to those which comprise the Company's Business.

The following provision replaces Section 2(f) of the Confidentiality Provisions:

F. Non-Solicitation of Customers.

Grantee acknowledges and agrees that during his/her employment, and for eighteen (18) months after the Date of Termination, Grantee has not and will not solicit Customers (as defined in Section 1(c) above) with whom he/she had Material Contact (as defined in 1(h) above) for the purpose of providing goods and/or services competitive with the Company's Business.

The following provision replaces Section 2(g) of the Confidentiality Provisions:

G. Non-Solicitation of Employees and Agents.

Grantee acknowledges and agrees that during his/her employment, and for a period of eighteen (18) months after the Date of Termination, Grantee has not and will not, whether on behalf of Grantee or others, solicit, lure or attempt to hire away any of the Company's employees or agents.

The following provision replaces Section 2(h) of the Confidentiality Provisions:

H. Non-Solicitation of Sales Agents.

Grantee acknowledges and agrees that during his/her employment, and for a period of eighteen (18) months after the Date of Termination, Grantee has not and will not, whether on behalf of Grantee or others, solicit any of the Company's Sales Agents for the purpose of disrupting their relationship with the Company and/or selling and/or facilitating the sale of products competitive with the Company's Business. For purposes of this Section 2, a "Sales Agent" is any third-party agency, and/or its representatives, with which or whom the Company has contracted for the purpose of facilitating the sale of the Company's products during the last twenty-four (24) months of Grantee's employment with the Company.

The following provision replaces Section 7 of the Confidentiality Provisions:

Amendments and Modifications. The Confidentiality Provisions and any Exhibit hereto may be amended or modified only by a writing signed by both parties hereto, which makes specific reference to the Confidentiality Provisions. However, this Section does not affect a court of competent jurisdiction or arbitrator's ability to modify the Confidentiality Provisions, as the case may be, in the event that either party initiates legal proceedings that relate in any way to the Confidentiality Provisions, including any action brought by either party seeking to enforce any provision set forth herein.

The following provision replaces Section 12 of the Confidentiality Provisions:

Language. The parties acknowledge that they have requested and are satisfied that the Confidentiality Provisions and all related documents be drawn up in the English language. Les parties aux présentes reconnaissent avoir requis que la présente entente et les documents qui y sont relatifs soient rédigés en anglais.

FRANCE

For the purpose of the provisions hereafter, the Company means the local entity in France by whom Grantee is employed.

The following provision replaces Section 1(b) of the Confidentiality Provisions:

> **"Trade Secrets"** means technical or nontechnical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, product plans, or a list of actual or potential customers or suppliers which is not commonly known by or available to the public and which information: (A) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who obtain economic value from its disclosure or use; and (B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

The following provision replaces Section 1(g) of the Confidentiality Provisions:

> **"Territory"** means the location in which the non-competition restriction will apply, hereby defined as the region(s) in France in which Grantee worked. Grantee acknowledges that the Company is licensed to do business in the Territory. Accordingly, Grantee agrees that these restrictions are reasonable and necessary to protect the Confidential Information, trade secrets, business relationships, and goodwill of the Company.

The following provision replaces Section 1(h) of the Confidentiality Provisions:

> **"Material Contact"** means contact between an employee and each Customer or potential Customer: with whom or which Grantee dealt on behalf of the Company; whose dealings with the Company were coordinated or supervised by Grantee; about whom Grantee obtained confidential information in the ordinary course of business as a result of such employee's association with the Company; and/or who receives products or services authorized by the Company, the sale or provision of which results or resulted in compensation, commissions, or earnings for Grantee within two years prior to the date of the Date of Termination.

Section 1(i) of the Confidentiality Provisions is deleted.

Section 1(j) of the Confidentiality Provisions is deleted.

The following provision replaces Section 2(d) of the Confidentiality Provisions:

> **Inventions.** Grantee will make full and prompt disclosure to the Company of all inventions, discoveries, designs, designations, developments, software, drawings, logos, sketches, models, articles, studies, reports, methods, modifications, improvements, processes, algorithms, databases, computer programs, formulae, techniques, trade secrets, graphics or images, and audio or visual works and other works of authorship (collectively "Developments"), whether or not patentable or copyrightable, that are created, made, conceived or reduced to practice by Grantee (alone or jointly with others) or under his/her direction in the course of Grantee's employment. Grantee acknowledges and agree that, to the fullest extent permitted by law, (i) all Developments shall automatically belong to, and shall be the sole property of the Company and that (ii) to the extent that any Development do not vest in the Company automatically, Grantee irrevocably hereby assign to the Company by way of present assignment, all right, title, and interest Grantee may have or may acquire in and to all Developments anywhere in the world. In particular, in accordance with the provisions of article L. 113-9 of the Intellectual Property Code, Grantee acknowledge that the intellectual property rights to any software and their documentation developed by Grantee in the course of his/her employment contract belong as a matter of law to the Company. In accordance with the provisions of article L. 611-7 of the Intellectual Property Code, Grantee further acknowledges that the inventions made within the context of his/her employment providing for an "inventive mission" which corresponds to his/her actual duties, or, as part of studies or research which have been specifically entrusted to Grantee, belong to the Company as a right ("Inventions of Mission").
>
> In accordance with the provisions of article L. 611-7 of the Intellectual Property Code, which provide that the employee is entitled to receive an additional remuneration for the Inventions of Mission, Grantee agrees that such additional remuneration, if any, will be determined in the following manner: Grantee will be paid an additional remuneration only to the extent Grantee personally contributed to the inventive process which led to the perfection of the Invention of Mission. Such additional remuneration shall be

determined by the Company, pursuant to local law, upon development of the Invention of Mission, upon patent filing of the Invention of Mission, and/or upon the granting of the patent on an Invention of Mission. In addition, after 5 years of exploitation of the Invention of Mission, the Company may decide to pay Grantee an additional award, which amount should be mutually agreed on between Grantee and the Company, by taking into consideration the economic and scientific interest of the invention of mission, the difficulties of development of the Invention of Mission, and Grantee's personal contribution. Grantee further acknowledge that for all the other inventions created either (i) in the performance of Grantee's duties, (ii) in the field of the Company's activity, or (iii) by using knowledge or technologies or Company's specific methods or information acquired by the Company, the Company may require that all rights to ownership and use of such inventions and the patents protecting such inventions be assigned to it. Grantee further undertake, in particular, to disclose to the Company any copyrightable works that he/she may create, either alone or with the assistance of a third party including notably (but without limitation) any drawings, logos, sketches, models, designs, articles, studies, reports and all documentation which are susceptible to be protected under copyright law (hereafter the "Copyrightable Works").

Grantee hereby assigns to the Company, in consideration of a lump sum already included in his/her salary as provided in his/her employment contract the exploitation rights on the Copyrightable Works including (but without limitation) the rights of reproduction on any analogical or digital media, in any form and format (whether known at the execution date of the contract or discovered in the future), of communication to the public by any process (whether known at the execution date of my employment contract or discovered in the future), of distribution, rental, loan and sale, of filing any trademark, design or model applications on whole or any part of the Copyrightable Works with the relevant authorities around the world, and of adaptation, translation and modification of the Copyrightable Works for any commercial or advertising purpose whether public or private. Media and processes shall include without limitation, any means of communication, direct or indirect, spatial or terrestrial, by satellite, cable, or over the air and any wired or wireless network including the Internet. The assignment occurs as soon as the Copyrightable Works are created and is valid for the entire world for the duration of the copyright, including any legal prorogation for whatever reason. Grantee hereby assigns and transfer to the Company all results from the use of Proprietary Information, premises or personal property ("Company Related Developments"). Grantee further undertake to execute all documents and take all additional actions as may be requested by the Company to give full and proper effect to the present assignment, whether during or after the term of his/her employment, and particularly to enter into a specific assignment agreement for each work, as soon as such work is created. To preclude any possible uncertainty, Grantee has set forth on Exhibit attached hereto a complete list of Developments that he/she has, alone or jointly with others, conceived, developed or reduced to practice prior to the commencement of his/her employment with the Company that he/she wishes to have excluded from the scope of this Agreement ("Prior Inventions"). Grantee has also listed this Exhibit all patents and patent applications in which he/she is named as an inventor, other than those which have been assigned to the Company ("Other Patent Rights"). If no such disclosure is attached, Grantee represents that there are no Prior Inventions or Other Patent Rights. If, in the course of Grantee's employment with the Company, he/she incorporates a Prior Invention into a Company product, process or machine or other work done for the Company, Grantee hereby grant to the Company a nonexclusive, royalty-free, paid-up, worldwide license (with the full right to sublicense) for the duration of the rights to make, have made, modify, use, reproduce, sell, offer for sale, publicly display and perform, import and otherwise fully exercise and exploit such Prior Invention. Notwithstanding the foregoing, Grantee will not incorporate, or permit to be incorporated, Prior Inventions in any Company-Related Development without the Company's prior written consent. Grantee will not incorporate into any Company product or otherwise deliver to the Company any open source software except as allowed pursuant to the Company's open source software policy, which is available on the Company's intranet.

Section 2(e) is re-titled as "Non-Competition and Non-Solicitation of Customers and Sales Agents."

The following Section 2(e) replaces Section 2(e), Section 2(f), and Section 2(h) of the Confidentiality Provisions:

(i) Grantee acknowledges and agrees that during his/her employment, and for six (6) months as from the date of Grantee's actual departure from the Company, he/she has not and will not, directly or indirectly, engage in, provide, or perform any Employee Services on behalf of any person or entity (or, if organized into divisions or units, any distinct division or operating unit) in the Territory.

(ii) Grantee also acknowledges and agrees that during his/her employment, and for six (6) months after the Date of Termination, Grantee has not and will not directly or indirectly solicit Customers (as defined in

Paragraph 1(c) above) with whom he/she had Material Contact (as defined in 1(g) above) for the purpose of providing goods and/or services competitive with the Company's Business.

(iii) Grantee further acknowledges and agrees that during his/her employment, and for a period of six (6) months after the Date of Termination, Grantee has not and will not, directly or indirectly, whether on behalf of Grantee or others, solicit any of the Company's Sales Agents for the purpose of disrupting their relationship with the Company and/or selling and/or facilitating the sale of products competitive with the Company's Business. For purposes of this Section 2, a "Sales Agent" is any third-party agency, and/or its representatives, with which or whom the Company has contracted for the purpose of facilitating the sale of the Company's products during the last twenty-four (24) months of Grantee's employment with the Company.

(iv) In the event Grantee's employment is terminated, for any reason whatsoever, during this post-employment period of non-competition, under the condition that Grantee complies with this non-competition obligation, Grantee will receive a monthly gross indemnity as determined by the Company pursuant to local law, to be no less than thirty three percent (33%) of his/her average gross monthly salary received over the last 12 months prior to termination of employment, it being understood that this indemnity will be subject to social security contributions.

(v) It is agreed that, in any case, the Company shall be entitled, at the time of termination of the employment agreement, either to reduce the scope or the duration of the period of application of the non-competition and non-solicitation covenant, or to waive the latter, provided however that it informs Grantee thereof by registered letter with return receipt requested no later than within eight (3) days following the notification of the termination of the employment agreement and no later than Grantee's last day of effective work.

(vi) If Grantee breaches the post-employment non-competition obligation, the Company will no longer be required to pay the gross monthly indemnity and Grantee will be required to reimburse the Company for any amount that he/she may have been granted in this respect.

(vii) Given the extreme sensitiveness of the know-how and technical and commercial information to which Grantee has access in the framework of his/her functions and the extremely competitive and sensitive nature of the Company's activities, the parties expressly agree on the necessity of the non-competition and non-solicitation obligation in order to protect the Company's legitimate interests. Moreover, Grantee acknowledges that, in light of his/her training, the provision does not hinder his/her capacity to find new employment.

Section 2(f) of the Confidentiality Provisions is deleted.

Section 2(h) of the Confidentiality Provisions is deleted.

The following provision replaces Section 4 of the Confidentiality Provisions:

Notices. All notices, requests, demands and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given when delivered or seven days after mailing if mailed first class, certified mail, postage prepaid, addressed as follows:

If the Company: To the principal place of business of Company in France.

If to Grantee: To his or her last known address on file with the Company.

The following provision replaces Section 7 of the Confidentiality Provisions:

Amendments and Modifications. The Confidentiality Provisions and any Exhibit hereto may be amended or modified only by a writing signed by Grantee and the Company, which makes specific reference to the Confidentiality Provisions provided however that the covenant of Section 2(e) can be waived unilaterally by the Company under the conditions specified therein. However, this Section does not affect a court of competent jurisdiction or arbitrator's ability to modify the Confidentiality Provisions, as the case may be, in the event that either party initiates legal proceedings that relate in any way to the

Confidentiality Provisions, including any action brought by either party seeking to enforce any provision set forth herein.

The following provision replaces Section 8 of the Confidentiality Provisions:

Governing Law and Venue. The validity and effect of the Confidentiality Provisions shall be governed by and construed and enforced in accordance with the laws of France.

The following provision replaces Section 12 of the Confidentiality Provisions:

Language. The parties acknowledge that they have requested and are satisfied that the Confidentiality Provisions and all related documents be drawn up in the French language, the English version being provided for information purposes only. In the event of a contradiction between the two versions, the French version shall prevail.

GERMANY

The following provision replaces Section 1(b) of the Confidentiality Provisions:

"Trade Secrets" means technical or nontechnical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, product plans, or a list of actual or potential customers or suppliers which is not commonly known by or available to the public and which information: (A) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who obtain economic value from its disclosure or use; and (B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

The following provision replaces Section 1(h) of the Confidentiality Provisions:

"Material Contact" means a contact between an employee and each Customer or potential Customer: with whom or which Grantee dealt on behalf of the Company; whose dealings with the Company were coordinated or supervised by Grantee; about whom Grantee obtained confidential information in the ordinary course of business as a result of such employee's association with the Company; and/or who receives products or services authorized by the Company, the sale or provision of which results or resulted in compensation, commissions, or earnings for Grantee within two years prior to the date of the Date of Termination.

The following provision replaces Section 1(i) of the Confidentiality Provisions:

"Termination for Cause" or **"Terminated for Cause"** means any termination within the meaning of Section 626 German Civil Code (*Bürgerliches Gesetzbuch, BGB*).

Section 1(j) of the Confidentiality Provisions is deleted.

The following provision replaces Section 2(d) of the Confidentiality Provisions:

Inventions. Except for patentable inventions which are subject to and are dealt with in accordance with the German Act on Employee Inventions (*ArbNErfG*), all rights of works (including computer software programs, object codes, source codes and associated documentation) and of all inventions, knowledge and experience of technical and commercial nature which Grantee creates during the term of his/her employment relationship as part of his/her duties is worldwide the sole property of the Company, including the right of reproduction, distribution, sale, the grant of usage rights – also of exclusive nature - to third parties, processing and further development. To the extent legally possible, Grantee transfers and assigns these rights to the Company, alternatively Grantee grants the Company an exclusive, fully paid-up, royalty-free, world-wide license for all types of exploitation and for the entire period of protection of their respective intellectual property rights, in particular copyright. The Company is also entitled to make modifications and additions to the copyrightable works created by Grantee. Grantee waives the right to be named as the author in connection with the work. The transfer of rights is deemed fully compensated by the remuneration received under the employment relationship.

Section 2(e) is re-titled as "Post-Contractual Non-Compete Covenant, Contractual Penalty"

The following provisions replace Sections 2(e) and 2(f) of the Confidentiality Provisions:

(i) Grantee is obliged, for a period of two years after the termination of the employment, not to engage in a business which is in competition with the Company's Business. Also included are such areas of work, which are relevantly affected by the activities of Grantee under his/her employment contract.

Should the areas of activity change during the term of employment, those activities Grantee was engaged in while performing his/her working duties during the past two years shall be deemed to be included in the non-compete covenant.

(ii) Similarly, Grantee is not permitted, during this period of time, to set up or to participate in any competing enterprise as a majority shareholder or as the holder of a blocking minority within such enterprise.

(iii) Within two years after the termination of the employment relationship, Grantee is obliged not to carry out work for such clients who belonged to the customer/client list of the Company during the past two years before the termination of the employment relationship. The non-compete covenant also applies for the benefit of any businesses connected with the Company with which Grantee dealt either directly or indirectly.

(iv) This non-compete covenant applies for the Territory.

(v) For the duration of the non-compete covenant, the Company is obliged to pay Grantee compensation in the amount of the legal minimum compensation. The compensation is to be paid in monthly instalments at the end of each month.

In case the violation of the non-competition clause consists in a continuing obligation, in particular in the conclusion of an employment, service, agency or consultancy agreement with a company, which is in competition with the Company or in case Grantee maintains a capital interest in such, the contractual penalty shall accrue for each new month of activity or interest ("continuing violation").

(vi) Every time Grantee breaches the obligations described under Sections 2(e)(i) to 2(e)(iv), he/she shall pay a contractual penalty in the amount of one monthly gross salary. The amount of the contractual penalty depends on the monthly gross base salary Grantee last received under the employment contract.

(vi) During the period of breach of the non-competition clause, the Company's obligation to pay compensation according to Section 2(e)(v) shall be suspended.

(vii) The Company's right to further damages shall not be affected.

Section 2(f) of the Confidentiality Provisions is deleted.

Section 2(h) of the Confidentiality Provisions is deleted.

The following provision replaces Section 7 of the Confidentiality Provisions:

Amendments and Modifications. Any changes of or amendments to the Confidentiality Provisions and any Exhibit, including this provision, must be made in writing in order to become legally effective. This shall not apply to individual agreements.

ITALY

For the purpose of the provisions hereafter, the "Company" means the local entity in Italy by whom Grantee is employed.

The following provision replaces Section 1(b) of the Confidentiality Provisions:

"Trade Secrets" means technical or nontechnical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, product plans, or a list of actual or potential customers or suppliers which is not commonly known by or available to the public and which information: (A) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who obtain economic value from its disclosure or use; and (B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

The following provision replaces Section 1(g) of the Confidentiality Provisions:

"**Territory**" means the location in which the non-competition restriction will apply, hereby defined as the region(s) in Italy in which Grantee worked. Grantee acknowledges that the Company is licensed to do business in the Territory. Accordingly, Grantee agrees that these restrictions are reasonable and necessary to protect the Confidential Information, trade secrets, business relationships, and goodwill of the Company.

The duration of the obligations indicated under Section 2(e) through (h) of the Confidentiality Provisions is all meant to be for a period of twelve (12) months, and Grantee acknowledges and agrees that for twelve (12) months after the Date of Termination his/her will be bound to such obligations.

The following provision replaces Section 1(h) of the Confidentiality Provisions:

"Material Contact" means contact between an employee and each Customer or potential Customer: with whom or which Grantee dealt on behalf of the Company; whose dealings with the Company were coordinated or supervised by Grantee; about whom Grantee obtained confidential information in the ordinary course of business as a result of such employee's association with the Company; and/or who receives products or services authorized by the Company, the sale or provision of which results or resulted in compensation, commissions, or earnings for Grantee within two years prior to the date of the Date of Termination.

The following provision is added to Section 1(i) of the Confidentiality Provisions:

"**Termination for Cause**" or "**Terminated for Cause**" means any disciplinary termination issued pursuant to Art. 7, Act no. 300/1970, for a disciplinary reason including but not limited to involuntary termination of Grantee by the Company for the reasons listed under Section 1(I) from letter (i) and (v).

The following provision replaces Section 2(d) of the Confidentiality Provisions:

Inventions Retained and Licensed. Attached hereto, as **Schedule 1**, is a list describing all inventions, original works of authorship, developments, improvements, and trade secrets which were made by the Grantee prior to the Grantee's employment with the Company (collectively referred to as "**Prior Inventions**"), which belong to the Grantee, which relate to the Company's proposed business, products or research and development, and which are not assigned to the Company hereunder; or, if **Schedule 1** is left blank, the Grantee hereby represents that there are no such Prior Inventions. If in the course of the Grantee's employment with the Company, the Grantee incorporates into a Company product, process or machine a Prior Invention owned by the Grantee or in which the Grantee has an interest, the Company is hereby granted and shall have a nonexclusive, royalty-free, irrevocable, perpetual, worldwide license to make, have made, modify, use and sell such Prior Invention as part of or in connection with such product, process or machine.

Assignment of Inventions. Grantee will make full and prompt disclosure to the Company of all inventions, discoveries, designs, designations, developments, software, drawings, logos, sketches, models, articles, studies, reports, methods, modifications, improvements, processes, algorithms, databases, computer programs, formulae, techniques, trade secrets, graphics or images, and audio or visual works and other works of authorship (collectively "Developments"), whether or not patentable or copyrightable, that are created, made, conceived or reduced to practice by Grantee (alone or jointly with others) or under his/her direction in the course of Grantee's employment. Grantee acknowledges and agree that, to the fullest extent permitted by law, (i) all Developments shall automatically belong to, and shall be the sole property of the Company and that (ii) to the extent that any Development do not vest in the Company automatically, Grantee irrevocably hereby assign to the Company by way of present assignment, all right, title, and interest Grantee may have or may acquire in and to all Developments anywhere in the world. In

particular, in accordance with the provisions of articles 12-bis and 12-ter of the Copyright Law no. 633/1941, Grantee acknowledges that the copyrights to any software, database and their documentation and to any industrial design developed by Grantee in the course of his/her employment contract belong as a matter of law to the Company. Furthermore, in accordance with article 64(1) of the Legislative Decree no. 30/2005 (Industrial Property Code), Grantee further acknowledges that the inventions made within the context of his/her employment providing for an "inventive activity" which corresponds to his/her actual duties, or, as part of studies or research which have been specifically entrusted to Grantee, and for which he/her is remunerated, belong to the Company as a right.

In accordance with article 64(2) of the Industrial Property Code, which provides that the employee is entitled to receive an additional remuneration for the invention made during the performance of its employment duties but outside the scope of article 64(1), Grantee agrees that such additional remuneration will be due provided that the Company or its assignees patent the invention or use it under a secrecy regime and will be determined pursuant to applicable law, taking into consideration the value of the invention, the duties and compensation of the employee and the contribution/assistance received by the Company in developing the invention.

Grantee further acknowledges that for all the other inventions created either (i) in the field of the Company's activity, or (ii) by using knowledge or technologies or Company's specific methods or information acquired by the Company, the Company may require that all rights to ownership and use of such inventions and the patents protecting such inventions be assigned to it pursuant to article 64(3) of the Industrial Property Code and upon the payment of a consideration to be agreed between the parties taking into consideration the help and support that the employee received from the Company in developing the invention.

Grantee further undertakes to execute all documents and take all additional actions as may be requested by the Company to give full and proper effect to the present assignment, whether during or after the term of his/her employment.

The following change is made to Sections 2(f), 2(g), and 2(h): The phrase "twenty-four (24) months after the Date of Termination" is replaced with "twelve (12) months after the Date of Termination".

The following provision replaces Section 2(i):

Injunctive Relief. Grantee acknowledges that if he/she breaches or threatens to breach any of the provisions of this Section 2, his/her actions may cause irreparable harm and damage to the Company. Accordingly, if Grantee breaches or threatens to breach any of the provisions of this Section 2, the Company shall be entitled to seek injunctive relief (*provvedimento cautelare*) as well as a Court's order for specific performance, in addition to any other rights or remedies the Company may have.

The following new Sections 2(j) through (m) are added after Section 2(i) of the Confidentiality Provisions:

J. **Consideration**. As consideration for the post termination non-competition and non- solicitation obligations under Section 2 ((e), (f), (g), and (h)) under the condition that Grantee complies with such obligations, Grantee will receive a monthly gross indemnity as determined by the Company pursuant to local law, to be no less than thirty percent (30%) of his/her fixed gross monthly salary received the last full month of employment (excluding any variable or bonus pay), multiplied for the number of months of duration of the obligations under Section 2 ((e), (f), (g), and (h)), it being understood that this indemnity will be subject to social security contributions.

K. **Reduction In Scope Or Withdrawal**. It is agreed that, in any case, the Company shall be entitled, at the time of termination of the employment agreement, either to reduce the scope or the duration of the period of application of the non-competition and non-solicitation covenant, or to waive the latter, provided however that it informs Grantee thereof by registered letter with return receipt requested no later than within three (3) days following the notification of the termination of the employment agreement and no later than Grantee's last day of effective work. In such an event, Grantee will receive from the Company an indemnity equal to one gross fixed monthly salary (as resulting at the date of termination).

L. **Damages.** If Grantee breaches the post-employment non-competition and non-solicitation obligations, the Company will no longer be required to pay the gross monthly indemnity provided under

Section 2(j) and Grantee will be required to reimburse the Company for any amount that he/she may have been granted in this respect as well as may be required to pay any further damages or be requested to cease any activity in breach of these obligations through an injunctive relief per Section 2(i).

M. **Legitimacy.** Given the extreme sensitiveness of the know-how and technical and commercial information to which Grantee has access in the framework of his/her functions and the extremely competitive and sensitive nature of the Company's activities, the parties expressly agree on the necessity of the non-competition and non-solicitation obligation in order to protect the Company's legitimate interests. Moreover, Grantee acknowledges that, in light of his/her training, the provision does not hinder his/her capacity to find new employment.

MEXICO

The following provision replaces Section 1(b) of the Confidentiality Provisions:

"Trade Secrets" has the meaning set forth under Article 84 of the Mexican Industrial Property Law.

The following provision replaces Section 1(d) of the Confidentiality Provisions:

"Company" means Acuity Brands, Inc., along with its Subsidiaries or other Affiliates, including but not limited to Acuity Brands Lighting de Mexico S. de R.L. de C.V., and Castlight de Mexico SA de CV, with the understanding that the sole and exclusive employer of Grantee is the Mexican legal entity by whom he/she is employed.

The following provision replaces Section 1(h) of the Confidentiality Provisions:

"Material Contact" means contact between an employee and each Customer or potential Customer: with whom or which Grantee dealt on behalf of the Company; whose dealings with the Company were coordinated or supervised by Grantee; about whom Grantee obtained confidential information in the ordinary course of business as a result of such employee's association with the Company; and/or who receives products or services authorized by the Company, the sale or provision of which results or resulted in compensation, commissions, or earnings for Grantee within two (2) years prior to the date of the Date of Termination.

Section 1(i) **("Termination for Cause" or "Terminated for Cause"**) of the Confidentiality Provisions is hereby deleted.

The following provision shall be added to Section 2(b), at the end of first paragraph:

"Furthermore, Grantee expressly agrees and acknowledges that all Confidential Information and Trade Secrets, constitutes (i) an industrial secret under the Mexican Industrial Property Law and (ii) an industrial and trade secret under Articles 213 of the Criminal Code of the Federal District of Mexico, 210 and 211 of the Federal Criminal Code."

The following provision shall be added to Section 2(b), at the end of the second paragraph:

"Grantee agrees to keep the Company free and clear from any claim or lawsuit that may be brought up against it by Grantee's former employers or third parties for alleged or actual breach of confidentiality or trade secrets information obligations undertaken by Grantee during the course of his/her employment with former employers or during the course of former relationships with third parties. Likewise, Grantee will be responsible for paying any damages that he/she may cause to the Company due the breach of such confidentiality or trade secrets information obligations assumed with former employers and/or with third parties."

The following provision shall be added to Section 2(d) of the Confidentiality Provisions:

"Grantee acknowledges that any Invention he/she may conceive or reduce to practice during his/her employment with the Company and that relate to the Company's current or future business are and shall be the Company's sole and exclusive property and that Grantee shall not have any patrimonial or other ownership rights in the work developed, expressly agreeing that he/she will not be entitled to the payment

of royalties or any other right derived from such work, as they are already included in Grantee's compensation referred to in his/her employment contract with the Company. In addition, Grantee expressly authorizes the modification, adaptation, transport, translation, representation, exhibition and any use, total or partial, of the developed work, with the sole exception of his/her non-economic or moral rights. Grantee will take all necessary steps to assign any property right to the Company at the Company's expense, but without further compensation to Grantee."

The following provision replaces Section 2(e) of the Confidentiality Provisions:

Non-Competition. Grantee acknowledges and agrees that during his/her employment, and for twelve (12) months after the Date of Termination, he/she has not and will not, directly or indirectly, engage in, provide, or perform any Employee Services on behalf of any person or entity (or, if organized into divisions or units, any distinct division or operating unit) in the Territory that derives revenue from providing goods or services substantially similar to those which comprise the Company's Business.

The following provision replaced Section 2(i) of the Confidentiality Provisions:

Injunctive Relief. Grantee acknowledges that if he/she breaches or threatens to breach any of the provisions of this Section 2, his/her actions may cause irreparable harm and damage to the Company which could not be compensated in damages. Accordingly, if Grantee breaches or threatens to breach any of the provisions of this Section 2, the Company shall be entitled to seek injunctive relief, in addition to any other rights or remedies the Company may have. The existence of any claim or cause of action by Grantee against the Company, whether predicated on the Confidentiality Provisions or otherwise, shall not constitute a defense to the enforcement by the Company of Grantee's agreements under this Section 2.

Grantee accepts that if he/she breaches any of the obligations set out in Sections 2(a), (b), (c), (d) related to the disclosure of Confidential Information, he/she shall be liable under applicable laws, including criminal liability referred to in Article 223(IV), (V), and (VI) of the Industrial Property Law.

The breach of any of the obligations assumed by virtue of Section 2(e), (f), (g), and (h), during the term of the employment relationship between the parties, will be considered disobedience to work, and therefore, a cause for termination of the employment relationship of Grantee, without any liability for the Company, whatsoever. Both parties agree that if Grantee breaches any of the obligations, terms or conditions set out in Section 2 (e), (f), (g), and (h), after the termination of his/her employment relationship with the Company, Grantee:

(a) will have no right to the Payment referred in Section 2(j) of Exhibit D, as modified by these special provisions, and must then repay to the Company the total amount of the payments made in accordance with Section 2(j)(ii) after the termination of the employment relationship between the parties, if such breach occurs or is discovered after any Payments (as defined below) have been made.

(b) In addition, he/she must pay to the Company liquidated damages equivalent to fifty percent (50%) of the gross amount paid to Grantee in consideration for the non-competition clause herein. The payment of liquidated damages shall be in addition to any other legal remedies that might be available to the Company, including moral damages, and nothing in this Section shall operate so as to prevent or limit the Company from seeking any other relief, including equitable or injunctive relief.

The following provisions are added as Section 2(j) to the Confidentiality Provisions:

Consideration for Non-Competition and Non-Solicitation Obligations.

(i) During the effective term of the employment relationship between the Company and Grantee, the latter will not be entitled to any additional remuneration for the obligations assumed herein, but the payment of the monthly gross base salary and benefits, as agreed upon in the individual employment agreement executed between the Company and Grantee, since the obligations assumed herein represent orders given by the Company, as the employer, and are part of the obligations related to the work for which Grantee is hired.

(ii) As fair and equal consideration for the execution of the obligations assumed under Sections 2(e), (f), (g), and (h) of this Exhibit D, upon termination of the labor relationship between the Company and Grantee, the latter hereby accepts that the Company will pay him/her a gross amount equal to fifty percent (50%) of his/her last annual gross base salary as of the termination date of his/her employment relationship with the Company (without considering other labor benefits paid, whether in paid in cash or in kind, such as a Christmas bonus, vacation premium, and without considering any compensation derived from the 2012 Omnibus Stock Incentive Compensation Plan) (hereinafter the "Payment"), subject to the corresponding applicable tax withholdings. Such payment, will be paid by the Company to Grantee proportionally in monthly installments, according to the dates established by the Company.

(iii) This Payment shall be considered as full consideration in exchange for the strict compliance with the future obligations that Grantee assumes upon termination of his/her employment relationship with the Company, pursuant to the terms of these Confidentiality Provisions. Both parties agree that the Company shall determine whether Grantee has fully complied with the Confidentiality Provision at its sole reasonable discretion. Grantee expressly acknowledges that the Payment of the consideration after the term of the employment relationship, referred in this Section, is independent from the employment relationship he/she has with the Company, and that the payments made after the term of the employment relationship between the Company and Grantee will not imply in any manner whatsoever, the continuation of such employment relationship or the beginning of a new labor relationship between the Company and Grantee.

The following provision replaces Section 7 of the Confidentiality Provisions:

Amendments and Modifications. The Confidentiality Provisions and any Exhibit hereto may be amended or modified only by a writing signed by both parties hereto, which makes specific reference to the Confidentiality Provisions. However, this Section does not affect a court of competent jurisdiction or arbitrator`s ability to modify the Confidentiality Provisions as applicable under local law in the event that either party initiates legal proceedings that relate in any way to this Confidentiality Provisions, including any action brought by either party seeking to enforce any provision set forth herein.

Both parties expressly acknowledge and agree that the Company reserves the right, at its sole discretion, to reduce or waive the enforcement of the restricted period, as referred to in Section 2 above, and the Company may relieve at any time Grantee from his/her obligations under this Agreement. If the Company, at its sole discretion, decides to waive or reduce the restricted period of the obligations assumed in Section 2(e), (f), (g), and (h), for any reason, it will inform Grantee in writing, with the understanding that the Company will not be responsible to pay or make further payments of any compensation, as set forth in Section 2(j)(ii), for the entire restricted period or the remaining restricted period, as applicable, at the time the Company waives enforcement. If the Company waives the entire enforcement of the restrictive period established after the term of the labor relationship, no compensation will be paid to Grantee under this Agreement, and Grantee acknowledges that the Company will not be liable as a consequence of such non-payment."

The following provision replaces Section 8 of the Confidentiality Provisions:

Governing Law and Venue. The validity and effect of the Confidentiality Provisions shall be governed by and construed and enforced in accordance with the laws of United Mexican States, without regard to conflicts of law. Any and all disputes relating to, concerning or arising from the Confidentiality Provisions, or relating to, concerning or arising from the relationship between the parties evidenced by the Confidentiality Provisions, shall be brought and heard exclusively in competent courts of Mexico City, expressly waiving any other jurisdiction that may correspond to them by reason of their present or future domiciles or for any other cause.

NETHERLANDS

The following provision replaces Section 1(b) of the Confidentiality Provisions:

"Trade Secrets" has the meaning set forth under applicable local law.

The following provision replaces Section 1(h) of the Confidentiality Provisions:

"Material Contact" shall include contacts between an employee and each Customer or potential Customer: with whom or which Grantee dealt on behalf of the Company; whose dealings with the Company were coordinated or supervised by Grantee; about whom Grantee obtained confidential information in the ordinary course of business as a result of such employee's association with the Company; and/or who receives products or services authorized by the Company, the sale or provision of which results or resulted in compensation, commissions, or earnings for Grantee within two years prior to the date of the Date of Termination.

The following provision replaces Section 1(i) of the Confidentiality Provisions:

"Termination for Cause" or "Terminated for Cause" shall entail any reasonable grounds the Company may have within the meaning of article 7:669 paragraph 3 subsection (d), (e), (g), and (i) of the Dutch Civil Code and article 7:678 of the Dutch Civil Code. Examples of this involuntary termination of Grantee by the Company are the following reasons:

i. If termination shall have been the result of an act or acts by Grantee which constitute an indictable offense, a felony or any crime involving dishonesty, theft, fraud or moral turpitude;

ii. If termination shall have been the result of an act or acts by Grantee which are determined, in the good faith judgment of the Company, to be in violation of written policies of the Company;

iii. If termination shall have been the result of an act or acts of dishonesty by Grantee resulting or intended to result directly or indirectly in gain or personal enrichment to Grantee at the expense of the Company;

iv. Upon the willful and continued failure by Grantee to substantially perform the duties assigned to Grantee (other than any such failure resulting from incapacity due to mental or physical illness constituting a Disability), after a demand in writing for substantial performance of such duties is delivered by the Company, which demand specifically identifies the manner in which the Company believes that Grantee has not substantially performed his or her duties; or

v. If termination shall have been the result of the unauthorized disclosure by Grantee of the Company's Confidential Information or violation of any other provision of the Confidentiality Provisions.

The following changes in made in Section 2(e) of the Confidentiality Provisions:

References to "Confidential Severance Agreement and Release" will be replaced by "settlement agreement".

The following provision replaces Section 2(i) of the Confidentiality Provisions:

Injunctive Relief. Grantee acknowledges that if he/she breaches or threatens to breach any of the provisions of this Section 2, his/her actions may cause irreparable harm and damage to the Company which could not be compensated in damages. Accordingly, if Grantee breaches or threatens to breach any of the provisions of this Section 2, the Company shall be entitled to seek injunctive relief, instead of any other rights or remedies the Company may have.

The following provision replaces Section 5 of the Confidentiality Provisions:

Provisions Severable. If any provision or covenant, or any part thereof, contained in the Confidentiality Provisions is held by any court to be invalid, illegal, or unenforceable, either in whole or in part, such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of the remaining provisions or covenants, or any part thereof, in the Confidentiality Provisions, all of which shall remain in full force and effect. Each and every provision, paragraph and subparagraph of Section 2 above is severable from the other provisions, paragraphs and subparagraphs and constitutes a separate and distinct covenant.

The restrictive covenants set forth in Section 2 of the Confidentiality Provisions represent the entire agreement of the parties with respect to the subject matter thereof and supersede any prior agreement with

respect thereto; provided, however, that the restrictive covenants described in this Exhibit D shall not supersede those set forth in either: (a) any Executive Severance Agreement applicable to Grantee, if any, (b) any Confidentiality, Inventions and Non-Solicitation Agreement to which Grantee is a party, if any, or (c) any restrictive covenants to which Grantee is a party under any employment agreement or offer letter, if any.

The following provision replaces Section 7 of the Confidentiality Provisions:

Amendments and Modifications. The Confidentiality Provisions and any Exhibit hereto may be amended or modified only by a writing signed by both parties hereto, which makes specific reference to the Confidentiality Provisions. However, this Section does not affect a court of competent jurisdiction or arbitrator`s ability to modify the Confidentiality Provisions, in the event that either party initiates legal proceedings that relate in any way to this Confidentiality Provisions, including any action brought by either party seeking to enforce any provision set forth herein.

The following provision replaces Section 8 of the Confidentiality Provisions:

Governing Law and Venue. The validity and effect of the Confidentiality Provisions shall be governed by and construed and enforced in accordance with applicable local law.

UNITED KINGDOM

The following provision replaces Section 1(b) of the Confidentiality Provisions:

"Trade Secrets" means information which meets all of the following requirements:

(a) it is secret in the sense that it is not, as a body or in the precise configuration and assembly of its components, generally known among or readily accessible to persons within the circles that normally deal with the kind of information in question;

(b) it has commercial value because it is secret; and

(c) it has been subject to reasonable steps under the circumstances, by the person lawfully in control of the information, to keep it secret.

The following provision replaces Section 1(c) of the Confidentiality Provisions:

"Customers" means those entities and/or individuals which, within the twelve month period preceding the Date of Termination (as that term is defined in Restricted Stock Unit Agreement): (i) Grantee had material contact on behalf of the Company; (ii) about whom Grantee acquired, directly or indirectly, Confidential Information or Trade Secrets as a result of his/her employment with the Company; and/or (iii) Grantee exercised oversight or responsibility of subordinates who engaged in Material Contact on behalf of the Company. Additionally, "Customers" references only those entities and/or individuals with whom the Company currently has a business relationship, or with whom it expended resources to have or resume the same during the twelve-month period referenced herein.

The following provision replaces Section 1(h) of the Confidentiality Provisions:

"Material Contact" means material contact between an employee and each Customer or potential Customer: with whom or which Grantee dealt on behalf of the Company; whose dealings with the Company were coordinated or supervised by Grantee; about whom Grantee obtained confidential information in the ordinary course of business as a result of such employee's association with the Company; and/or who receives products or services authorized by the Company, the sale or provision of which results or resulted in compensation, commissions, or earnings for Grantee within two years prior to the date of the Date of Termination.

Section 1(i) ("Termination for Cause" or "Terminated for Cause") of the Confidentiality Provisions is hereby deleted.

The following provision replaces Section 1(j) of the Confidentiality Provisions:

"Inventions" and "Intellectual Property" The term "Invention" means contributions, discoveries, improvements, ideas, designs, designations, developments, methods, modifications, improvements, processes, algorithms, databases, computer programs, formulae, techniques, trade secrets, graphics or images, and audio or visual works, written text, software, code, and other works of authorship, whether or not patentable or copyrightable, whether or not recorded in any medium and: (i) which relate directly to the business of the Company, or (ii) which result from any work performed by Grantee or by Grantee's fellow employees for the Company, or (iii) for which equipment, supplies, facilities, Confidential Information or Trade Secrets of the Company are used, or (iv) which is developed on the Company's time. The term "Intellectual Property" means all patents, rights in inventions, supplementary protection certificates, utility models, rights in designs, trademarks, service marks, trade and business names, logos, get up and trade dress and all associated goodwill, rights to sue for passing off and/or for unfair competition, copyright, moral rights and related rights, rights in computer software, rights in databases, topography rights, domain names, rights in information (including know-how and trade secrets) and the right to use, and protect the confidentiality of, confidential information, image rights, rights of personality, and all other similar or equivalent rights subsisting now or in the future in any part of the world, in each case whether registered or unregistered and including all applications for, and renewals or extensions of, and rights to claim priority from, such rights for their full term and the right to sue for damages for past and current infringement in respect of any of the same.

The following provision replaces Section 2(d) of the Confidentiality Provisions:

Inventions. Grantee does hereby assign and transfer to the Company and its successors and assigns the entire right, title and interest in any Invention which is or was made or conceived, either solely or jointly with others, during his/her employment with the Company, including after the Date of Termination. To the extent that any Intellectual Property which is or was created or conceived, either solely or jointly with others, during his/her employment with the Company does not vest in the Company automatically and/or pending any assignment of such Intellectual Property, Grantee shall hold such Intellectual Property on trust for the Company. Grantee hereby irrevocably and unconditionally waives all claims to any moral rights or other special rights which it may have or accrue in any Inventions or Intellectual Property. Grantee attests that he/she has disclosed (or promptly will disclose, if after the Date of Termination) to the Company all Inventions. Grantee will, if requested, promptly execute and deliver to the Company a specific assignment of title for any such Invention or Intellectual Property right and will at the expense of the Company, take all reasonably required action by the Company to patent, copyright or otherwise protect the Invention."

The following provision replaces Section 2(e) of the Confidentiality Provisions:

Non-Competition. Grantee acknowledges and agrees that during his/her employment, and for twelve (12) months after the Date of Termination, he/she has not and will not, directly or indirectly, in competition with the Company, engage in, provide, or perform any Employee Services on behalf of any person or entity (or, if organized into divisions or units, any distinct division or operating unit) in the Territory that derives revenue from providing goods or services substantially similar to those which comprise the Company's Business.

The following provision replaces Section 2(f) of the Confidentiality Provisions:

Non-Solicitation of Customers. Grantee acknowledges and agrees that during his/her employment, and for twelve (12) months after the Date of Termination, Grantee has not and will not directly or indirectly solicit Customers (as defined in Section 1(c) above) with whom he/she had Material Contact (as defined above) for the purpose of providing goods and/or services competitive with the Company's Business with which Grantee was materially concerned in the period of twelve (12) months prior to the Date of Termination.

The following provision replaces Section 2(g) of the Confidentiality Provisions:

Non-Solicitation of Employees and Agents. Grantee acknowledges and agrees that during his/her employment, and for a period of twelve (12) months after the Date of Termination, Grantee has not and will not, directly or indirectly, whether on behalf of Grantee or others, solicit, lure or attempt to hire away any of the Company's employees or agents with whom Grantee has material contact or managed in a direct line management capacity in the period of twelve (12) months prior to the Date of Termination or

who had Material Contact with Customers in performing his/her duties of employment with the Company.

The following provision replaces Section 2(h) of the Confidentiality Provisions:

Non-Solicitation of Sales Agents. Grantee acknowledges and agrees that during his/her employment, and for a period of twelve (12) months after the Date of Termination, Grantee has not and will not, directly or indirectly, whether on behalf of Grantee or others, solicit any of the Company's Sales Agents for the purpose of disrupting their relationship with the Company and/or selling and/or facilitating the sale of products competitive with the Company's Business with which Grantee was materially concerned in the period of twelve (12) months prior to the Date of Termination. For purposes of this Section 2, a "Sales Agent" is any third-party agency, and/or its representatives, with which or whom the Company has contracted for the purpose of facilitating the sale of the Company's products during the last twelve (12) months of Grantee's employment with the Company and with whom Grantee had material contact or responsibility in his capacity as an employee of the Company during that period.

The following provision replaces Section 7 of the Confidentiality Provisions:

Amendments and Modifications. The Confidentiality Provisions and any Exhibit hereto may be amended or modified only by a writing signed by both parties hereto, which makes specific reference to the Confidentiality Provisions. However, this Section does not affect a court of competent jurisdiction or arbitrator`s ability to modify the Confidentiality Provisions in the event that either party initiates legal proceedings that relate in any way to this Confidentiality Provisions, including any action brought by either party seeking to enforce any provision set forth herein.

The following provision replaces Section 8 of the Confidentiality Provisions:

Governing Law and Venue. The validity and effect of the Confidentiality Provisions shall be governed by and construed and enforced in accordance with the laws of England and Wales. Any and all disputes relating to, concerning or arising from the Confidentiality Provisions, or relating to, concerning or arising from the relationship between the parties evidenced by the Confidentiality Provisions, shall be brought and heard exclusively in the Courts of England and Wales. Each of the parties hereby represents and agrees that such party is subject to the personal jurisdiction of said courts; hereby irrevocably consents to the jurisdiction of such courts in any legal or equitable proceedings related to, concerning or arising from such dispute, and waives, to the fullest extent permitted by law, any objection which such party may now or hereafter have that the laying of the venue of any legal or equitable proceedings related to, concerning or arising from such dispute which is brought in such courts is improper or that such proceedings have been brought in an inconvenient forum.

The following provisions are deleted in their entirety: Sections 10 **("Tender Back Provision"**) and Section 11 **("Tolling Period"**).

A following new Section 13 is inserted as follows:

Subsidiaries. The provisions of Sections 2(e) through Section 2(h) shall only apply in respect of those subsidiaries to whom Grantee provided his services, for whom he was responsible or with whom he was otherwise materially concerned in the period of twelve (12) months prior to the Date of Termination. The obligations under those provisions shall, with respect to each subsidiary, constitute a distinct and separate covenant and the invalidity or unenforceability of any such covenant shall not affect the validity or enforceability of the covenants in favor of any other Company. In relation to each subsidiary referred to in this Section 13, the Company contracts as trustee and agent for the benefit of each such subsidiary.

SPECIAL TERMS AND CONDITIONS EXHIBIT TO THE CONFIDENTIALITY, INVENTIONS, NON-SOLICITATION AND NON-COMPETITION PROVISIONS FOR GRANTEES IN THE U.S.

This Appendix includes additional state-specific terms and conditions that apply to Grantees in states listed below with respect to the Confidentiality, Inventions, Non-Solicitation and Non-Competition Provisions (the "Confidentiality Provisions"). This Appendix is part of the Confidentiality Provisions and contains terms and conditions material to Grantee's rights and obligations under the Confidentiality Provisions. Unless otherwise provided below, capitalized terms used but not defined herein shall have the same meanings assigned to them in the Plan and the Confidentiality Provisions.

FOR ALL GRANTEES IN THE US

With respect to Grantees who are not supervisors for the purposes of the National Labor Relations Act, nothing contained in the Confidentiality Provisions, in any way, restricts or impedes Grantee from exercising Grantee's rights under Section 7 of the National Labor Relations Act (such protected rights include assisting coworkers or former coworkers with workplace issues concerning their employer, communicating with others including a union and the NLRB, about their employment, or discussing the terms and conditions of employment, including, but not limited to, wages or salary, benefits, severance, the terms of this Agreement, job responsibilities and vacation, with coworkers or union representatives).

Nothing in this Agreement limits any Grantee from testifying truthfully in any legal proceeding, including, but not limited to responding to any inquiries made by the EEOC or any government agency; from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Grantee has reason to believe is unlawful; or from disclosing factual information related to an administrative claim or civil action concerning sexual assault, sexual harassment, workplace harassment or discrimination, failure to prevent an act of workplace harassment or discrimination, or an act of retaliation against a person for reporting or opposing harassment or discrimination. Grantee may respond accurately and fully to any question or request for information when required to do so by law.

Further, nothing in this Agreement limits any Grantee's rights to: (i) file a charge (including a challenge to the validity of this Agreement) with, communicate with, or participate in an investigation or proceeding conducted by the U.S. Equal Employment Opportunity Commission ("EEOC"), the National Labor Relations Board ("NLRB"), or any other similar federal, state, or local government office, official, or agency; (ii) testify in an administrative, legislative, or judicial proceeding concerning alleged criminal conduct or alleged sexual harassment on the part of any other party, or on the part of the agents or employees of another party, when the person testifying has been required or requested to attend the proceeding pursuant to a court order, subpoena, or written request from an administrative agency or legislature; or (iii) provide information to the U.S. Securities and Exchange Commission, EEOC, or any other regulatory or enforcement agency or collect rewards under a whistleblower program.

Further, to the extent that any Grantee does not meet the compensation threshold required for a post-termination covenant to be enforceable under applicable state law, either at the time the Agreement is entered into *or* at the time of enforcement, then, to the extent required by applicable state law, Section 2(E)(Non-Competition), Section 2(F)(Non-Solicitation of Customers), Section 2(G) Non-Solicitation of Employees and Agents, or Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions shall not apply to any such Grantee.

Grantee is advised to consult with an attorney of Grantee's own choosing and at Grantee's own cost before signing this Agreement.

CALIFORNIA

Section 2(E)(Non-Competition) and Section 2(F)(Non-Solicitation of Customers) of the Confidentiality Provisions are deleted. However, any conduct relating to the solicitation of Company's customers or employees that involves the misappropriation of the Company's trade secret information, such as its protected customer information, will remain prohibited conduct at all times.

The following provision replaces Section 2(G) of the Confidentiality Provisions:

Non-Solicitation of Employees and Agents. Grantee acknowledges and agrees that during his/her employment, and for a period of twelve (12) months after the Date of Termination, Grantee has not and will not, directly or

indirectly, whether on behalf of Grantee or others, solicit, lure or attempt to hire away any of the Company's employees or agents with whom Grantee has material contact or managed in a direct line management capacity in the period of twelve (12) months prior to the Date of Termination or who had Material Contact with Customers in performing his/her duties of employment with the Company.

The following provision replaces Section 2(H) of the Confidentiality Provisions:

H. Non-Solicitation of Sales Agents.

Grantee acknowledges and agrees that during his/her employment, and for a period of twelve (12) months after the Date of Termination, Grantee has not and will not, whether on behalf of Grantee or others, solicit any of the Company's Sales Agents for the purpose of disrupting their relationship with the Company and/or selling and/or facilitating the sale of products competitive with the Company's Business. For purposes of this Section 2, a "Sales Agent" is any third-party agency, and/or its representatives, with which or whom the Company has contracted for the purpose of facilitating the sale of the Company's products during the last twelve (12) months of Grantee's employment with the Company.

COLORADO

If Grantee: (i) is not an officer, executive or management employee, or an employee who constitutes professional staff to executive and management personnel or (ii) does not meet the "highly compensated worker"[1] threshold either at the time the Agreement is entered into *or* at the time of enforcement, then: Section 2(E)(Non-Competition) shall not apply.

If Grantee: (i) is not an officer, executive or management employee, or an employee who constitutes professional staff to executive and management personnel or (ii) does not meet 60% of the "highly compensated worker" ("Non-Solicitation Compensation Threshold") threshold either at the time the Agreement is entered into *or* at the time of enforcement, then: Section 2(F)(Non-Solicitation of Customers), Section 2(G) Non-Solicitation of Employees and Agents, and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions shall not apply. If Grantee: (i) is an officer, executive or management employee, or an employee who constitutes professional staff to executive and management personnel and (ii) meets the Non-Solicitation Compensation Threshold, both at the time the Agreement is entered into *and* at the time of enforcement then:

The following provision replaces Section 2(F) of the Confidentiality Provisions:

> **Non-Solicitation of Customers.** Grantee acknowledges and agrees that during his/her employment, and for twelve (12) months after the Date of Termination, Grantee has not and will not directly or indirectly solicit Customers (as defined in Section 1(c) above) with whom he/she had Material Contact (as defined above) for the purpose of providing goods and/or services competitive with the Company's Business with which Grantee was materially concerned in the period of twelve (12) months prior to the Date of Termination.

The following provision replaces Section 2(G) of the Confidentiality Provisions:

> **Non-Solicitation of Employees and Agents.** Grantee acknowledges and agrees that during his/her employment, and for a period of twelve (12) months after the Date of Termination, Grantee has not and will not, directly or indirectly, whether on behalf of Grantee or others, solicit, lure or attempt to hire away any of the Company's employees or agents with whom Grantee has material contact or managed in a direct line management capacity in the period of twelve (12) months prior to the Date of Termination or who had Material Contact with Customers in performing his/her duties of employment with the Company.

Grantee stipulates that the obligations in Section 2(E)(Non-Competition), Section 2(F)(Non-Solicitation of Customers), Section 2(G) Non-Solicitation of Employees and Agents, and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions are reasonable and necessary for the protection of trade secrets within the meaning § 8-2-113(2)(b) (the "Colorado Noncompete Act") and that the Company has provided the Grantee separate notice of this Agreement at least 14 days before the effective date of this Agreement.

[1] The highly compensated threshold for 2023 is $112,500 for non-competes and 60% of the salary requirement for a highly compensated employee (currently $67,500) for non-solicits.

Nothing in the Agreement prohibits disclosure of information that arises from the Grantee's general training, knowledge, skill, or experience, whether gained on the job or otherwise, information that is readily ascertainable to the public, or information that employee otherwise has a right to disclose as legally protected conduct.

LOUISIANA

The following provision replaces Section 1(G) of the Confidentiality Provisions:

> **"Territory"** means the parishes (and equivalents) in the following list so long as the Company continues to carry on business therein: Acadia, Allen, Ascension, Assumption, Avoyelles, Beauregard, Bienville, Bossier, Caddo, Calcasieu, Caldwell, Cameron, Catahoula, Claiborne, Concordia, Desoto, East Baton Rouge, East Carroll, East Feliciana, Evangeline, Franklin, Grant, Iberia, Iberville, Jackson, Jefferson Davis, Jefferson, Lafayette, Lafourche, LaSalle, Lincoln, Livingston, Madison, Morehouse, Natchitoches, Orleans, Ouachita, Plaquemines, Pointe Coupee, Rapides, Red River, Richland, Sabine, St. Bernard, St. Charles, St. Helena, St. James, St. John the Baptist, St. Landry, St. Martin, St. Mary, St. Tammany, Tangipahoa, Tensas, Terrebonne, Union, Vermillion, Vernon, Washington, Webster, West Baton Rouge, West Carroll, West Feliciana, Winn; and, if Louisiana law requires counties (or their equivalents) in my Restricted Territory located outside of Louisiana to also be specified by name, Grantee acknowledges that the names at issue are the remaining counties in the United States listed by the U. S. Census Bureau found at https://en.wikipedia.org/wiki/List_of_counties_by_U.S._state_and_territory#Louisiana (that list is incorporated here by reference).
>
> Accordingly, Grantee agrees that the foregoing provides Grantee with adequate notice of the geographic scope of the restrictions contained in the Agreement by name of specific parishes (and equivalents), municipalities, and/or their parts.

MASSACHUSETTS

Grantee acknowledges and agrees that: (a) Section 2(E)(Non-Competition) will not apply if Grantee's employment is terminated without Cause (as defined above) or if Grantee is terminated as part of a reduction in force; (b) Grantee received a copy of this Agreement prior to receiving a formal offer of employment from the Company or at least ten (10) business days before commencement of his or her employment, whichever came first; and if Grantee was already employed by the Company at the time of signing this Agreement, Grantee confirms that he or she was provided a copy of this Agreement at least ten (10) business days before it takes effect, (c) Grantee has been advised that he or she has a right to consult with an attorney about this Agreement and have been given an opportunity to do so; and (d) if Grantee breaches Section 2(E)(Non-Competition) of this Agreement, and also breaches his or her fiduciary duty to the Company and/or has unlawfully taken, physically or electronically, any Company Records, then the applicable time period in Section 2(E) shall be extended to a period of twelve (12) additional months, i.e., for a total of twenty-four (24) months from the cessation of employment. Grantee also acknowledges and agrees that Grantee has received Performance Units, which Grantee agrees to be fair and reasonable consideration in exchange for the post-employment non-competition covenant.

Grantee further acknowledges and agrees that all civil actions relating to Section 2(E)(Non-Competition), Section 2(F)(Non-Solicitation of Customers), Section 2(G) Non-Solicitation of Employees and Agents, and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions shall be brought in Suffolk County, Massachusetts. Grantee further agree that the parties consent to the use of electronic signatures to sign and acknowledge acceptance of the terms of this Agreement, including the provision above. Acuity Brands, Inc., hereby enters its electronic signature as */s/* ***ACUITY BRANDS, INC.***

MONTANA & NORTH DAKOTA

Section 2(E)(Non-Competition), Section 2(F)(Non-Solicitation of Customers), and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions are deleted.

OKLAHOMA

Section 2(E)(Non-Competition) and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions are deleted.

The following provision replaces Section 2(F) (Non-Solicitation of Customers) of the Confidentiality Provisions:

- F. Non-Solicitation of Customers — "Grantee agrees that that during his/her employment, and for twenty-four (24) months after the Date of Termination, the Grantee shall not, on the Grantee's own behalf or on behalf of any other person or entity (other than the Company), directly solicit the sale of goods, services, or a combination of goods and services from the established customers of the Company."

OREGON

If Grantee is being initially hired by the Company, Grantee confirms that he or she has received a written employment offer at least two (2) weeks before the first day of employment in which Grantee was informed that a noncompetition agreement is required as a condition of employment; and if Grantee was already employed by the Company at the time of signing this Agreement, Grantee confirms that he or she was aware in exchange for a bona fide advancement that execution of an agreement with non-compete and non-solicit restrictions was a requirement of employment when accepted the Company's offer. For purposes of the foregoing test only, "bona fide advancement" means a genuine promotion in rank after initial employment.

Furthermore, Section 2(E)(Non-Competition) shall only apply to Grantee if both of the following conditions apply: (1) Grantee engages in administrative, executive, or professional work as described in ORS 653.020(3); and (2) Grantee's total annual compensation including commissions, if any, at termination exceeds $108,575.64 in 2023, adjusted annually for inflation.[2] For purposes of the foregoing test only, "administrative, executive, or professional work" means that Grantee: (1) performs predominantly intellectual, managerial or creative tasks; (2) exercises discretion and independent judgment; and (3) earns a salary paid on a salary basis.

Grantee may contact his or her local human resources representative with any questions regarding his or her rate of earnings.

WASHINGTON

(a) Section 2(E)(Non-Competition) and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions will not be enforceable against Grantee unless he /she earns from Company at least $116,593.18 in Box 1 W-2 annual compensation, as adjusted annually for inflation by the Washington State Department of Labor & Industries ("Earnings Threshold"). Grantee further agrees that if, at the time Grantee signs the Agreement, his or her earnings do not meet the Earnings Threshold, Section 2(E)(Non-Competition), and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions, will automatically become enforceable against Grantee if and when his or her salary meets the Earnings Threshold.

(b) the Company further agrees that if Grantee's employment with the Company is terminated as the result of a layoff, the Company will not enforce Section 2(E)(Non-Competition) and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions against the Grantee unless, during the period of enforcement, the Company pays the Grantee compensation equivalent to Grantee's final base pay at the time of the termination of his or her employment, minus the amount of any compensation Grantee earns through employment after the end of his or her employment with the Company, which Grantee agrees to promptly and fully disclose. For purposes of this section, "layoff" means termination of Grantee's employment by the Company for reasons of the Company's insolvency or other purely economic factors, and specifically excludes termination of Grantee's employment for any other reason, either with or without cause.

(c) The following provision replaces Section 2(F) of the Confidentiality Provisions:

> **Non-Solicitation of Customers.** Grantee acknowledges and agrees that during his/her employment, and for eighteen (18) months after the Date of Termination, Grantee has not and will not directly or indirectly solicit Customers (as defined in Section 1(c) above) to cease or reduce the extent to which it is doing business with the Company.

(d) The following provision replaces Section(G) of the Confidentiality Provisions:

> **Non-Solicitation of Employees and Agents.** Grantee acknowledges and agrees that during his/her employment, and for a period of eighteen (18) months after the Date of Termination, Grantee has not and will not, directly or indirectly, whether on behalf of Grantee or others, solicit, lure or attempt to solicit or lure any of the Company's employees or agents to leave the Company.

[2] This is $108,575.64 for 2023.

(e) Grantee acknowledges and agrees if he or she is a newly hired employee, Grantee was given advance notice of Section 2(E)(Non-Competition) and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions in writing prior to accepting the Company's offer of employment. If this Agreement is entered into after the commencement of Grantee's employment with the Company, Grantee confirms that he / she has received Performance Units, which Grantee agrees to be independent consideration that involves new promises or obligations previously not required of the parties.

WASHINGTON D.C.

No employer operating in the District of Columbia may request or require any employee working in the District of Columbia to agree to a non-compete policy or agreement, in accordance with the Ban on Non-Compete Agreements Amendment Act of 2020. As such, for Grantees who primarily reside and work for the Company in Washington D.C., then Section 2(E)(Non-Competition), Section 2(F)(Non-Solicitation of Customers), and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions are deleted and do not apply.

/$CurrentDate$/

ACUITY BRANDS, INC.
Amended and Restated 2012 Omnibus Stock Incentive Compensation Plan

Global Performance Unit Notification and Award Agreement
(rTSR Performance Award)

Grantee:	/$ParticipantName$/
Grant Type:	/$GrantType$/
Grant ID:	/$GrantID$/
Grant Date:	/$GrantDate$/
Target Award Amount:	/$AwardsGranted$/
Maximum Award Amount:	Up to 200% of the Target Award Amount
Performance Period	Three-Year Period Comprised of Fiscal Years 2024, 2025, and 2026
Service Period:	Three-Year Cliff Vest on October 24, 2026
Grantee Level:	/$UserCode2$/ for Stock Ownership Guidelines (Exhibit A)
Accept by Date:	/$AcceptByDate$/

WHEREAS, Acuity Brands, Inc. (the "Company") maintains the Amended and Restated Acuity Brands, Inc. 2012 Omnibus Stock Incentive Compensation Plan (the "Plan") under which the Compensation Committee of the Company's Board of Directors (the "Committee") has authority to grant Performance Units; and

WHEREAS, the Committee has determined that it is in the best interest of the Company and its stockholders to grant this Performance Unit Award to the Grantee identified above, subject to the terms and conditions set forth in the Plan and this Global Performance Unit Notification and Award Agreement, together with its exhibits (the "Agreement").

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

1. Incorporation of the Plan. The provisions of the Plan are hereby incorporated by reference. Except as otherwise expressly set forth herein, this Agreement shall be construed in accordance with the provisions of the Plan and any capitalized terms not otherwise defined in this Agreement shall have the definitions set forth in the Plan. In the event of any conflict between the terms of the Plan and the terms of this Agreement, the terms of the Plan shall prevail. The Committee has final authority to interpret and construe the Plan and this Agreement and to make any and all determinations under them, and its decision shall be binding and conclusive upon Grantee and Grantee's legal representative with respect to any questions arising under the Plan or this Agreement.

2. Grant of Performance Unit Award. The Committee, on behalf of the Company, hereby grants to Grantee, effective as of the Grant Date, Performance Units equal to the Target Award Amount set forth above, on the terms and conditions set forth in this Agreement, including the specific vesting requirements set forth above and the performance goal requirements (the "Performance Goals") set forth in Exhibit B attached hereto, and as otherwise provided in the Plan. The actual number of Performance Units earned pursuant to the Award will be determined based on the achievement of the Performance Goals during the Performance Period, as further set forth in Exhibit B.

3. Acceptance of Performance Unit Award. This award of Performance Units is conditioned upon Grantee's acceptance of the terms of this Agreement, as evidenced by Grantee's execution of this Agreement or by Grantee's electronic acceptance of this Agreement in a manner and during the time period allowed by the Company. If the terms of this Agreement are not timely accepted by execution or by such electronic means, the award of Performance Units may be cancelled.

4. Performance Goals. Exhibit B attached hereto sets forth the Performance Goals that must be satisfied in order for the Performance Units to be eligible to vest, subject to Grantee's satisfaction of the Service

Period, except as otherwise set forth in Section 5. The Committee shall certify the extent to which the Performance Goals have been achieved with such certification occurring as soon as practicable following the end of the Performance Period and in any event no later than ninety (90) days following the end of such Performance Period (such certification occurring on the "Certification Date"). Except as set forth in Section 5, any Performance Units for which the Performance Goals have not been achieved shall be automatically forfeited, terminated and cancelled effective as of the applicable Certification Date, without the payment of any consideration by the Company, and Grantee, or Grantee's beneficiary or personal representative, as the case may be, shall have no further rights with respect to such forfeited Performance Units under the Agreement.

5. Vesting of Performance Unit Award.

a) In General. Provided that Grantee remains continuously employed by the Company, a Subsidiary or Affiliate through the last day of the Service Period (the "Vesting Date"), this Performance Unit Award shall vest to the extent that the Performance Goals have been achieved, as determined by the Committee on the Certification Date. For purposes of this Agreement, providing active services as an Employee or as a member of the Board shall be considered as employment.

b) Vesting Acceleration Upon Termination due to Death or Disability. Notwithstanding Section 5(a) above, if prior to the Vesting Date, (i) Grantee dies while actively employed by the Company or a Subsidiary or Affiliate, or (ii) Grantee's employment terminates by reason of Grantee's Disability, any Performance Units shall become fully vested and non-forfeitable as of the date of Grantee's death or Disability in an amount equal to the Target Award Amount; provided, however, that if Grantee's Termination due to Grantee's death or Disability occurs after the end of the Performance Period, the Performance Units shall become fully vested and non-forfeitable in an amount equal to the number of Performance Units actually earned, as determined by the Committee on the Certification Date.

c) Vesting Following Termination with Tenure. Notwithstanding Section 5(a) above, if Grantee's employment terminates for a reason other than Cause on or after the date on which the number of completed years of Grantee's continuous service to the Company or a Subsidiary or Affiliate is at least five (5) ("Tenure"), the Performance Units will remain outstanding and will remain available to vest on a pro rata basis (as described below) at the end of the Service Period set forth above and subject to the terms set forth in this Agreement, including Exhibit B attached hereto, as though Grantee had remained employed, and once vested, will be settled in accordance with Section 7 below; provided, however, that any unvested Performance Units will be forfeited immediately, automatically and without consideration upon Grantee's breach of the confidentiality, inventions, non-solicitation and non-competition provisions attached hereto as Exhibit D (as determined by the Committee). The pro-rata portion of the Performance Units that will remain outstanding and available to vest following Grantee's termination with Tenure will be calculated based on the ratio of (x) each full year worked by Grantee from the Grant Date to Grantee's Date of Termination (as defined below), to (y) the total number of years in the Service Period. The Company, in its sole discretion, will determine whether Grantee has completed five (5) years of continuous service, including the effect of any break-in-service.

d) Termination of Service for Any Other Reason. Except for death, Termination due to Disability or Termination with Tenure, as provided in Sections 5(b) and (c) above, or except as otherwise provided in a duly approved severance agreement with Grantee, if Grantee terminates his or her employment or if the Company or if different, the Subsidiary or Affiliate employing Grantee (the "Employer") terminates Grantee's employment prior to the Vesting Date (even in the case of unfair dismissal and whether or not later to be found invalid or in breach of applicable laws in the jurisdiction where Grantee is employed or the terms of Grantee's employment agreement, if any) Grantee expressly acknowledges that the Performance Units shall cease to vest further and that the Performance Units shall be immediately forfeited as of the Date of Termination. "Date of Termination" means the last day of Grantee's active employment with the Employer. For greater certainty, Grantee's Date of Termination shall be deemed to be the date on which the notice of termination of employment provided is stated to be effective (and in the case of alleged constructive dismissal, the date on which the alleged constructive dismissal is alleged to have occurred), and not during or as of the end of any notice or other period following such date during which Grantee is in receipt of, or eligible to receive, statutory, contractual or common law notice of termination or any compensation in lieu of such notice or severance pay. The Company shall have the exclusive discretion to determine when Grantee is no longer actively providing services for purposes of the Performance Unit grant (including whether Grantee may still be considered to be providing services while on a leave of absence).

e) Vesting Acceleration Upon a Change in Control. Notwithstanding the other provisions of this Agreement, in the event of a Change in Control prior to the Vesting Date, all Performance Units shall become

fully vested and non-forfeitable as of the date of the Change in Control in an amount equal to the Target Award Amount; provided, however, that if the Change in Control occurs after the end of the Performance Period, the Performance Units shall become fully vested and non-forfeitable in an amount equal to the number of Performance Units actually earned, as determined by the Committee on the Certification Date.

6. Dividend Equivalents. During the period that Grantee holds Performance Units granted pursuant to this Agreement, on each date that the Company pays a cash dividend to holders of its Common Stock, the Company shall credit to a non-interest bearing account on its books for Grantee an unvested amount equal to the United States ("U.S.") Dollar amount paid per share of Common Stock for each Performance Unit initially granted pursuant to this Agreement (the "Dividend Equivalents"). The Dividend Equivalents credited to Grantee's non-interest bearing account shall vest only to the extent that the Performance Units vest and, except as otherwise provided in Section 5, only with respect to the number of Performance Units actually earned, based on achievement of the Performance Goals. Any such vested Dividend Equivalents shall be paid in accordance with Section 7 below. The Dividend Equivalents shall be forfeited in the event that the Performance Units are forfeited.

7. Issuance of Shares upon Vesting. No Shares shall be issued to Grantee prior to the date that the Performance Units vest pursuant to this Agreement. As soon as practical and in any event within sixty (60) days after the date that the Performance Units vest pursuant to Section 5 (or within such longer period as may be permitted under Section 409A upon Grantee's death), and subject to the Company's Incentive-Based Compensation Recoupment Policy (described in Section 11 below) and the applicable terms of Exhibit D attached hereto, the Company will cause Shares to be issued to an unrestricted account in Grantee's name in payment of such vested Performance Units and will cause any Dividend Equivalents attributed to such vested Performance Units to be paid in cash to Grantee or, in the event of death, to Grantee's heirs, subject to the applicable laws of descent and distribution. Notwithstanding the foregoing, (a) in the event of vesting of the Performance Units upon a Change in Control, the Performance Units and any Dividend Equivalents shall be paid in accordance with Section 14.2 of the Plan, and (b) to the extent that (i) the Performance Units constitute "nonqualified deferred compensation" subject to Section 409A, (ii) Grantee is subject to U.S. federal taxation and (iii) the aforementioned sixty (60) day period spans two calendar years, the Performance Units and any Dividend Equivalents will be paid in the second of such calendar years.

8. Transfer Restrictions. The Performance Units may not be sold, assigned, transferred, pledged, or otherwise encumbered in any manner other than by will or the laws of descent and distribution, unless and until the shares of Common Stock underlying the vested Performance Units have been issued.

9. Stockholder Rights. The Performance Units granted pursuant to this Agreement do not and shall not entitle Grantee to any rights of a stockholder of the Company's Common Stock. Grantee's rights with respect to the Performance Units shall remain forfeitable at all times prior to the Vesting Date (or, if later, the Certification Date) or such other date on which the Performance Units vest pursuant to Section 5.

10. Adjustments Upon Specified Events. In the event of a Share Change (as defined in the Plan), the number and class of Shares or other securities that Grantee shall be entitled to, and shall hold, pursuant to this Agreement shall be appropriately adjusted or changed to reflect the Share Change, provided that any such additional Shares or additional or different Shares or securities shall remain subject to the restrictions in this Agreement.

11. Recoupment. All Awards of Performance Units, whether unvested or vested, and any Shares issued or Dividend Equivalents paid on vesting of the Performance Units, shall be subject to the Company's Incentive-Based Compensation Recoupment Policy, as it may be amended from time to time (the "Recoupment Policy"), such that any Award that was made to a Grantee who is subject to the Recoupment Policy, and any Shares or Dividend Equivalents acquired pursuant to such Award, shall be subject to deduction, clawback or forfeiture, as provided under the Recoupment Policy. Further, the Performance Units, whether unvested or vested, and any Shares issued or Dividend Equivalents paid on vesting of the Performance Units, shall be subject to deduction, clawback or forfeiture to the extent required to comply with any recoupment requirement imposed under applicable laws, rules, regulations or stock exchange listing standards. In order to satisfy any recoupment obligation arising under the Recoupment Policy or otherwise under applicable laws, rules, regulations or stock exchange listing standards, among other things, Grantee expressly and explicitly authorizes the Company to issue instructions, on Grantee's behalf, to any brokerage firm or stock plan service provider engaged by the Company to hold any Shares, Dividend Equivalents or other amounts acquired pursuant to the Performance Units to re-convey, transfer or otherwise return such Shares, Dividend Equivalents and/or other amounts to the Company upon the Company's enforcement of the Recoupment Policy. To the extent that this Agreement and the Recoupment Policy conflict, the terms of the Recoupment Policy shall prevail.

12. Compliance with Section 409A of the Code for U.S. Taxpayers. The parties intend that this Agreement and the benefits provided hereunder be exempt from the requirements of Section 409A of the Code (together with any U.S. Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "Section 409A") to the maximum extent possible, whether pursuant to the short-term deferral exception described in Treasury Regulation Section 1.409A-1(b)(4) or otherwise. However, to the extent that the Performance Units (or any portion thereof) may be subject to Section 409A, the parties intend that this Agreement and such benefits comply with the deferral, payout, and other limitations and restrictions imposed under Section 409A and this Agreement shall be interpreted, operated and administered in a manner consistent with such intent. Notwithstanding any other provision of the Plan or this Agreement, the Committee shall have the right in its sole discretion (without any obligation to do so or to indemnify Grantee or any other person for failure to do so) to adopt such amendments to the Plan or this Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Committee determines are necessary or appropriate either for the Performance Units to be exempt from the application of Section 409A or to comply with the requirements of Section 409A. Nothing in this Agreement or the Plan shall provide a basis for any person to take action against the Company or any Subsidiary based on matters covered by Section 409A of the Code, including the tax treatment of any amount paid or Performance Units granted under this Agreement, and neither the Company nor any of its Subsidiaries shall under any circumstances have any liability to Grantee or his or her estate or any other party for any taxes, penalties or interest due on amounts paid or payable under this Agreement, including taxes, penalties or interest imposed under Section 409A.

13. Securities Law and other Legal Compliance. Notwithstanding any other provision of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the Common Stock, the Company shall not be required to deliver any Common Stock issuable upon settlement of the Performance Units prior to the completion of any registration or qualification of the Common Stock under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of the SEC or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. Grantee understands that the Company is under no obligation to register or qualify the Common Stock with the SEC or any state, provincial or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of Common Stock. Further, Grantee agrees that the Company shall have unilateral authority to amend the Plan and this Agreement without Grantee's consent to the extent necessary to comply with securities or other laws applicable to the issuance of Common Stock.

14. Grantee's Representation. Grantee represents and warrants that he or she is acquiring the Performance Units and any Shares for investment purposes only, and not with a view to distribution thereof.

15. Confidentiality, Inventions, Non-Solicitation and Non-Competition; Stock Ownership Guidelines. In exchange for receipt of consideration in the form of the Performance Unit award pursuant to this Agreement and other good and valuable consideration, Grantee agrees that he/she shall comply with the confidentiality, inventions, non-solicitation and non-competition provisions attached hereto as Exhibit D. Grantee acknowledges its obligations, if and as applicable to Grantee's position, described in the Company's Stock Ownership Guidelines in effect from time to time, as summarized in Exhibit A.

16. Nature of Grant. In accepting the grant, Grantee acknowledges, understands and agrees that:

a) the Plan is established voluntarily by the Company, it is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;

b) the grant of Performance Units is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of performance units, or benefits in lieu of performance units, even if performance units have been granted in the past;

c) all decisions with respect to future Performance Units or other grants, if any, will be at the sole discretion of the Company;

d) the Performance Unit grant and Grantee's participation in the Plan shall not create a right to employment or be interpreted as forming or amending an employment or services contract with the Company and shall not interfere with the ability of the Employer to terminate Grantee's employment or service relationship (if any);

e) Grantee is voluntarily participating in the Plan;

f) the Performance Units and the Shares subject to the Performance Units, and any related income and value, are not intended to replace any pension rights or compensation;

g) the Performance Units and the Shares subject to the Performance Units, and any related income and value, are not part of normal or expected compensation for any purposes including, but not limited to, calculating any severance, resignation, termination, payment in lieu of notice, redundancy, dismissal, end-of-service payments, holiday pay, bonuses, long-service awards, leave-related payments, pension, retirement, welfare benefits or similar payments;

h) the future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty;

i) no claim or entitlement to compensation or damages shall arise from any loss of any right or benefit, or prospective right or benefit, including the forfeiture of Performance Units resulting from the termination of Grantee's employment or other service relationship (for any reason whatsoever whether or not later found to be invalid or in breach of applicable laws in the jurisdiction where Grantee is employed or the terms of Grantee's employment agreement, if any) and any forfeiture of Performance Units or recoupment of Shares resulting from the application of the Recoupment Policy or any other forfeiture or recoupment pursuant to Section 11 of this Agreement;

j) unless otherwise agreed with the Company, the Performance Units and Shares subject to the Performance Units, and any related income and value, are not granted as consideration for, or in connection with, the service Grantee may provide as a director of a Subsidiary; and

k) the Company shall not be liable for any foreign exchange rate fluctuation between Grantee's local currency and the U.S. Dollar that may affect the value of the Performance Units or of any amounts due to Grantee pursuant to the settlement of the Performance Units or the subsequent sale of any Shares acquired upon settlement.

17. Responsibility for Taxes

a) Grantee acknowledges that, regardless of any action taken by the Company or the Employer, the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to Grantee's participation in the Plan and legally applicable to Grantee ("Tax-Related Items"), is and remains Grantee's responsibility and may exceed the amount, if any, actually withheld by the Company or the Employer. Grantee further acknowledges that the Company and/or the Employer (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Performance Units or the Dividend Equivalents, including, but not limited to, the grant, vesting or settlement of the Performance Units, the subsequent sale of Shares acquired pursuant to such settlement and the receipt or payment of any dividends or any Dividend Equivalents and (2) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Performance Units or the Dividend Equivalents to reduce or eliminate Grantee's liability for Tax-Related Items or achieve any particular tax result. Further, if Grantee is subject to Tax-Related Items in more than one jurisdiction, Grantee acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

b) In connection with any relevant taxable or tax withholding event, as applicable, Grantee agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, Grantee authorizes the Company and/or the Employer, or their respective agents, at their discretion, to satisfy any applicable withholding obligations, if any, with regard to all Tax-Related Items by one or a combination of the following:

(i) withholding from Grantee's wages or other cash compensation payable to Grantee by the Company and/or the Employer; or

(ii) withholding from proceeds of the sale of Shares acquired upon vesting/settlement of the Performance Unit either through a voluntary sale or through a mandatory sale arranged by the Company (on Grantee's behalf pursuant to this authorization);

(iii) withholding in Shares to be issued pursuant to the Performance Units; or

(iv) any other method of withholding determined by the Company to comply with applicable laws and the Plan.

c) Notwithstanding Section 17(b) above or Section 17(g) below, if Grantee is subject to the reporting requirements of Section 16(a) of the Exchange Act, then any applicable withholding obligations will be satisfied by withholding in Shares to be issued pursuant to the Performance Units, unless such withholding is not feasible under applicable tax or securities law or has materially adverse accounting consequences, in which case, the Company may satisfy any withholding obligations for Tax-Related Items in accordance with Section 17(b)(i) or (ii).

d) Subject to Section 16.2 of the Plan, the Company may withhold or account for the Tax-Related Items by considering statutory withholding amounts or other applicable withholding rates in Grantee's jurisdiction(s), including (i) maximum applicable rates, in which case Grantee may receive a refund of any over-withheld amount in cash (whether from applicable tax authorities or the Company) and will have no entitlement to the Common Stock equivalent or (ii) minimum rates or such other applicable rates, in which case Grantee may be solely responsible for paying any additional Tax-Related Items to the applicable tax authorities or the Employer.

e) If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, Grantee is deemed to have been issued the full number of Shares subject to the vested Performance Units, notwithstanding that a number of the Shares is held back solely for the purpose of paying the Tax-Related Items.

f) The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares, if Grantee fails to comply with Grantee's obligations in connection with the Tax-Related Items.

g) To the extent that a withholding obligation for Tax-Related Items arises prior to the Vesting Date or such other vesting event hereunder, the Company may accelerate the vesting of Performance Units to the extent necessary to satisfy such Tax-Related Items in the manner set forth in Section 17(b)(ii) or (iii). However, notwithstanding anything in this Section 17 to the contrary, to the extent that the Performance Units constitute "nonqualified deferred compensation" subject to Section 409A and Grantee is subject to U.S. federal taxation, the number of Shares withheld (or sold on Grantee's behalf) shall not exceed the number of Shares that equals the liability for Tax-Related Items. For avoidance of doubt, any vesting and settlement of Performance Units effected to cover Tax-Related Items pursuant to this Section 17(g) shall apply only to the applicable number of Performance Units and not to any associated Dividend Equivalents thereon, which shall remain subject to vesting on the dates or events set forth in Section 5 and payable pursuant to Section 7 of this Agreement.

18. Data Privacy. ***Grantee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Grantee's personal data as described in this Agreement and any other Performance Unit grant materials ("Data") by and among, as applicable, the Company and its other Subsidiaries and Affiliates for the exclusive purpose of implementing, administering and managing Grantee's participation in the Plan.***

Grantee understands that the Company holds certain personal information about Grantee, including, but not limited to, Grantee's name, home address, email address, telephone number, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any Shares of stock or directorships held in the Company, details of all Performance Units or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in Grantee's favor, for the exclusive purpose of implementing, administering and managing the Plan.

Grantee understands that Data will be transferred to Bank of America Merrill Lynch ("Merrill Lynch"), or such other stock plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration and management of the Plan. Grantee understands that the recipients of the Data may be located in the U.S. or elsewhere, and that the recipients' country (e.g., the U.S.) may have different data privacy laws and protections than Grantee's country. Grantee understands that he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. Grantee authorizes the Company, Merrill Lynch and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his or her participation in the Plan. Grantee understands that Data will be held only as long as is necessary to implement, administer and manage Grantee's

participation in the Plan. Grantee understands he or she may, at any time, view Data, request information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative. Further, Grantee understands that he or she is providing the consents herein on a purely voluntary basis. If Grantee does not consent, or if Grantee later seeks to revoke his or her consent, his or her employment status will not be adversely affected; the only consequence of refusing or withdrawing Grantee's consent is that the Company would not be able to grant Performance Units or other equity awards to Grantee or administer or maintain such awards. Therefore, Grantee understands that refusing or withdrawing his or her consent may affect Grantee's ability to participate in the Plan. For more information on the consequences of Grantee's refusal to consent or withdrawal of consent, Grantee understands that he or she may contact his or her local human resources representative.

19. No Advice Regarding Grant. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Grantee's participation in the Plan, or Grantee's acquisition or sale of the underlying Shares. Grantee should consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan.

20. Insider Trading/Market Abuse Restrictions. Grantee may be subject to insider trading restriction and/or market abuse laws in applicable jurisdictions including, but not limited to, the U.S. and Grantee's country of residence, which may affect Grantee's ability to accept, acquire sell or otherwise dispose of Shares or rights to Shares (*e.g.*, Performance Units) or rights linked to the value of Shares during such times as Grantee is considered to have "inside information" regarding the Company (as defined by the laws in the applicable jurisdictions). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. Grantee is responsible for ensuring Grantee's own compliance with any applicable restrictions and is advised to speak with his or her personal legal advisor on this matter.

21. Foreign Asset / Account or Tax Reporting; Exchange Control. Grantee acknowledges that there may be certain exchange control, foreign asset/account, or tax reporting requirements which may affect Grantee's ability to acquire or hold Shares acquired under the Plan or cash received from participating in the Plan (including from any dividends or Dividend Equivalents) in a brokerage or bank account outside Grantee's country. Grantee may be required to report such accounts, assets or transactions to the tax or other authorities in his or her country. Grantee also may be required to repatriate sale proceeds or other funds received as a result of Grantee's participation in the Plan to his or her country through a designated bank or broker within a certain time after receipt. Grantee acknowledges that it is Grantee's responsibility to be compliant with such regulations, and Grantee should consult his or her personal legal advisor for any details.

22. Electronic Delivery and Participation. The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. Grantee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or any third party designated by the Company. By Grantee's execution of this Agreement or acceptance by electronic means and the electronic signature of the Company's representative, Grantee and the Company agree that this Performance Units is granted under and governed by the terms and conditions of the Plan and this Agreement.

23. Country-Specific Terms and Conditions. Notwithstanding any provisions in this Agreement, the Performance Unit grant shall be subject to any additional terms and conditions set forth in Exhibit C to this Agreement for Grantee's country. Moreover, if Grantee relocates to one of the countries included in Exhibit C, the additional terms and conditions for such country will apply to Grantee, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. Exhibit C constitutes part of this Agreement.

24. Language. Grantee acknowledges that he or she is sufficiently proficient in English, or has consulted with an advisor who is sufficiently proficient in English, so as to allow Grantee to understand the terms of this Agreement. Furthermore, if Grantee has received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

25. Imposition of Other Requirements. The Company reserves the right to impose other requirements on Grantee's participation in the Plan, on the Performance Units and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and

to require Grantee to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

26. Governing Law and Venue. Except with respect to Exhibit D, the Performance Unit grant and the provisions of this Agreement and the validity, interpretation, construction and performance of same shall be governed by, and subject to, the laws of the State of Delaware, without regard to its conflict of law provisions. Any and all disputes relating to, concerning or arising from this Agreement, or relating to, concerning or arising from the relationship between the parties evidenced by the Performance Units or this Agreement, shall be brought and heard exclusively in the U.S. District Court for the District of Delaware or the Delaware Superior Court, New Castle County. Each of the parties hereby represents and agrees that such party is subject to the personal jurisdiction of said courts; hereby irrevocably consents to the jurisdiction of such courts in any legal or equitable proceedings related to, concerning or arising from such dispute, and waives, to the fullest extent permitted by law, any objection which such party may now or hereafter have that the laying of the venue of any legal or equitable proceedings related to, concerning or arising from such dispute which is brought in such courts is improper or that such proceedings have been brought in an inconvenient forum.

27. Severability. The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

28. Waiver. Grantee acknowledges that a waiver by the Company of any provision, or breach thereof, of this Agreement on any occasion shall not operate or be construed as a waiver of such provision on any other occasion or as a waiver of any other provision of this Agreement, or of any subsequent breach by Grantee or any other Plan participant.

29. Pronouns; Including. Wherever appropriate in this Agreement, personal pronouns shall be deemed to include the other genders and the singular to include the plural. Wherever used in this Agreement, the term “including” means “including, without limitation.”

30. Successors in Interest. This Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns, whether by merger, consolidation, reorganization, sale of assets, or otherwise. This Agreement shall inure to the benefit of Grantee’s legal representatives. All obligations imposed upon Grantee and all rights granted to the Company under this Agreement shall be final, binding, and conclusive upon Grantee’s heirs, executors, administrators, and successors.

31. Integration. This Agreement, along with any Exhibit hereto, encompasses the entire agreement of the parties related to the subject matter of this Agreement, and supersedes all previous understandings and agreements between them, whether oral or written, except as otherwise described specifically in Exhibit D. The parties hereby acknowledge and represent, that they have not relied on any representation, assertion, guarantee, warranty, collateral contract or other assurance, except those set out in this Agreement, made by or on behalf of any other party or any other person or entity whatsoever, prior to the execution of this Agreement.

32. Interpretation. The Committee shall have the sole and absolute authority to interpret, construe and apply the terms of the Plan and this Agreement and to make any and all determinations under them. Any determination or decision by the Committee shall be final, binding and conclusive upon Grantee, Grantee’s legal representative and the Company for all purposes.

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By completing the online acceptance process, Grantee accepts the grant of Performance Units and agrees to all the terms and conditions described in this Agreement and in the Plan.

PLEASE RETAIN THIS AGREEMENT AND ALL EXHIBITS FOR YOUR RECORDS.

EXHIBIT A

STOCK OWNERSHIP GUIDELINES AND RETENTION REQUIREMENT

It is the Company's belief and expectation that executives should own a reasonable amount of Common Stock to further align their interests with those of our stockholders. Accordingly, you acknowledge that you have read the Company's Stock Ownership Guidelines ("Guidelines"), as posted on the Company's website, and that you are expected to adhere to those Guidelines.

Your stock ownership level and retention requirements are set forth below based on the Grantee Level stated on the first page of this Agreement.

Grantee Level / Title	Ownership Multiple of Annual Base Salary	Retention Requirement Percentage
0 – CEO	6	50%
1 – Other Named Executive Officers (NEOs)	3	50%
2 – Senior Vice Presidents (other than NEOs)	2	50%
3 – All Other Associates/Participants	0	0%

EXHIBIT B

PERFORMANCE GOAL FOR
rTSR PERFORMANCE UNIT AWARD

Grant ID: /$GrantID$/
Grant Date: /$GrantDate$/
Target Share Units: /$AwardsGranted$/
Performance Period: Three-Year Period Comprised of Fiscal Years 2024, 2025 and 2026 (September 1, 2023 through August 31, 2026)
Measurement Date: August 31, 2026 (end of third fiscal year)
Vesting Date: The later of the date on which the Committee certifies the achievement level of the Performance Goal after the Measurement Date, or the third anniversary of the Grant Date, October 24, 2026
Benchmark Group: S&P 400 Capital Goods Index (see below for list of companies in this Index)

Performance Goal:

The achievement of a level of the relative Total Shareholder Return Performance Measure (as defined below) between the Threshold and Maximum as shown in the table below (the "Achievement Level"). Final performance will be measured against the payout curve as of the Measurement Date. The number of shares you will receive will be calculated by multiplying your Target Share Units by the Payout % between 0% and 200%. The exact Payout % will be determined by linear interpolation of the Achievement Level of the Performance Measure between the bend points illustrated below. **If the Performance Measure is at or below Threshold, no payout will be received.**

The following table shows the Achievement Levels.

	Threshold Payout	**Target Payout**	**Maximum Payout**
Performance Measure	25th Percentile Rank and Below 25th Percentile Rank compared to Benchmark Group	50th Percentile Rank of Company compared to Benchmark Group	75th and above Percentile Rank of Company compared to Benchmark Group
Achievement Level	0%	100%	200%

Definition:

Total Shareholder Return ("TSR") means the stock price appreciation from the beginning to end of the Performance Period, plus dividends and distributions made or declared during the Performance Period (it shall be assumed that such dividends or distributions are reinvested as of the ex-dividend date), expressed as a percentage return. Relative total shareholder return ("rTSR") is the percentile rank of the Company's TSR over the Performance Period as compared to the TSR of each company in the Benchmark Group (the "Performance Measure").

Calculation of Relative Total Shareholder Return (rTSR):

TSR for Acuity and each peer company will be calculated using the equation shown below:

$$TSR = \frac{\text{(Ending Stock Price - Beginning Stock Price)}}{\text{Beginning Stock Price}} \text{ X } 100$$

The Beginning Stock Price equals the average closing stock price during the 20-trading day period preceding the start of the Performance Period. The Ending Stock Price will equal the average closing price over the 20-trading day period ending on the last day of the Performance Period, assuming dividends distributed during the Performance Period are reinvested on the ex-dividend date for additional shares of the issuing company's stock.
At the end of the Performance Period the TSR of each company in the peer group (excluding Acuity) will be ranked from highest to lowest, with the company with the highest TSR being assigned a rank of 1. Acuity's percentile rank within the Peer Group will be calculated using the formula below, where N is the total companies in the Peer Group excluding Acuity and R is Acuity's ranking within the Peer Group. N equals 45 as of the Valuation Date.

$$\textbf{Percentile Rank} = \frac{\textbf{N - R}}{\textbf{N - 1}}$$

The percentile rank of Acuity's TSR within the peer group will be calculated using the equation below, where PR_{Acuity} and TSR_{Acuity} equal Acuity's percentile rank and TSR, PR_{above} and TSR_{above} equal the percentile rank and TSR of the peer company performing just above Acuity, and PR_{below} and TSR_{below} equal the percentile rank and TSR of the peer company performing just below Acuity.

$$PRAcuity = PRabove + (PRbelow - PRabove) \text{ X } \frac{(TSRabove - TSRAcuity)}{(TSRabove - TSRbelow)}$$

If Acuity's TSR is greater than the highest TSR of the peer companies, its TSR will be positioned at the 100th percentile. Similarly, if Acuity's TSR is less than the lowest TSR of the peer companies, its TSR will be positioned at the 0th percentile.

Payout Example:

A payout example assuming an award of 100 Target Share Units would be as follows:

Determine Acuity Brands TSR. The Beginning Stock Price for Acuity Brands was $25.01 per share and the Ending Stock Price was $41.45 per share, then the TSR for Acuity Brands would be 65.73%. The calculation is as follows:

$$\text{Acuity Brands TSR} = \frac{(\$41.45 - \$25.01)}{\$25.01} \times 100 = \mathbf{65.73\%}$$

Determine Benchmark Group rank and percentile rank.

Company	TSR	Rank	Percentile
Company A	95.54%	1	100.00%
Company B	92.53%	2	92.30%
Company C	91.19%	3	84.61%
Company D	71.00%	4	76.92%
Company E	65.87%	5	69.23%
Company F	62.56%	6	61.53%
Company G	46.59%	7	53.84%
Company H	46.29%	8	46.15%
Company I	45.02%	9	38.46%
Company J	37.92%	10	30.76%
Company K	24.70%	11	23.07%
Company L	9.62%	12	15.38%
Company M	7.46%	13	7.69%
Company N	0.95%	14	0.00%

Acuity Brands, Inc. 65.73%

Determine the relative percentile rank of Acuity Brands' TSR within the Benchmark Group.

$$\text{PRAcuity} = 69.23\% + (61.53\% - 69.23\%) \times \frac{(65.87\% - 65.73\%)}{(65.87\% - 62.56\%)}$$

PRAcuity = **68.90%**

A 68.90% percentile rank results in an achievement level of between Target (50th percentile) and Maximum (75th percentile and above). The payout percentage would be interpolated between 100% and 200% to be 176%. The number of shares earned as a result are as follows:

100 Target Shares x 176% payout percentage = **176 shares earned**

S&P 400 Capital Goods Index - 45 Companies

The S&P 400 Capital Goods Index (the "Benchmark Group") will be considered "closed" as of September 1, 2022, with no new companies being added subsequent to the establishment of the Benchmark Group.

AECOM
AGCO Corporation
Axon Enterprise, Inc.
Builders FirstSource, Inc.
Carlisle Companies Incorporated
Chart Industries, Inc.
Crane Holdings Incorporated
Curtiss-Wright Corporation
Donaldson Company, Inc.
Dycom Industries, Inc.
EMCOR Group, Inc.
EnerSys
ESAB Corporation
Flowserve Corporation
Fluor Corporation
GATX Corporation
Graco Inc.
Hexcel Corporation
Hubbell Incorporated
ITT Inc.
Kennametal Inc.
Lennox International Inc.
Lincoln Electric Holdings, Inc.
MasTec, Inc.
MDU Resources Group, Inc.
Mercury Systems, Inc.
MSC Industrial Direct Co., Inc.
nVent Electric plc
Oshkosh Corporation
Owens Corning
Regal Rexnord Corporation
Simpson Manufacturing Co., Inc.
SunPower Corporation
Sunrun Inc.
Terex Corporation
The Middleby Corporation
The Timken Company
The Toro Company
Trex Company, Inc.
Univar Solutions Inc.
Valmont Industries, Inc.
Vicor Corporation
Watsco, Inc.
Watts Water Technologies, Inc.
Woodward, Inc.

EXHIBIT C

ADDITIONAL TERMS AND CONDITIONS FOR GRANTEES OUTSIDE THE U.S.

Terms and Conditions

This Exhibit C includes additional terms and conditions that govern the Performance Units granted to Grantee under the Plan if Grantee resides in one of the countries listed below. These terms and conditions are in addition to, or if so indicated, in place of the terms and conditions in the Agreement. If Grantee is a citizen or resident of a country other than the one in which he or she is currently working, transferred employment and/or residency after the Performance Units were granted, or is considered a resident of another country for local law purposes, the Company shall, in its discretion, determine to what extent the terms and conditions contained herein shall be applicable to Grantee.

Notifications

This Exhibit C also includes information regarding exchange controls and certain other issues of which Grantee should be aware with respect to his or her participation in the Plan. The information is based on the securities, exchange control, and other laws in effect in the respective countries as of June 2023. Such laws are often complex and change frequently. As a result, the Company strongly recommends that Grantee not rely on the information in this Exhibit C as the only source of information relating to the consequences of Grantee's participation in the Plan because the information may be out of date at the time that the Performance Units vest or Grantee sells Shares.

In addition, the information contained herein is general in nature and may not apply to Grantee's particular situation, and the Company is not in a position to assure Grantee of a particular result. Accordingly, Grantee should seek appropriate professional advice as to how the relevant laws in Grantee's country may apply to his or her situation.

If Grantee is a citizen or resident of a country other than the one in which he or she is currently working, transferred employment and/or residency after the Performance Units were granted, or is considered a resident of another country for local law purposes, the notifications contained herein may not be applicable to Grantee.

Certain capitalized terms used but not defined in this Exhibit C have the meanings set forth in the Plan and the Agreement.

EUROPEAN UNION/EUROPEAN ECONOMIC AREA
(Including United Kingdom)

Data Privacy. The provisions below replace Section 18 of the Agreement if Grantee is located in the European Union/European Economic Area (including the United Kingdom).

a) Data Collection and Usage. Pursuant to applicable data protection laws, Grantee is hereby notified that, in order to perform this Agreement and facilitate Grantee's participation in the Plan, the Company will collect, process, use, and transfer Grantee's Personal Data (as defined herein) for purposes of allocating Shares and implementing, administering, and managing the Plan. Where required, the legal basis underlying the Company's collection, use, transfer and other processing of Grantee's Personal Data is the necessity of the processing (i) for the performance of this Agreement subject to the terms and conditions set forth in the Plan, (ii) to comply with legal obligations to which the Company is subject according to European Union ("EU"), European Economic Area ("EEA") or Member State law, or (iii) the pursuit of the Company's legitimate interest to comply with legal obligations to which the Company is subject according to law established outside the EU/EEA. Grantee's personal data and personally-identifiable information processed by the Company includes Grantee's name, home address, telephone number and email address, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any equity or directorships held in the Company and any Subsidiary, details of all Performance Units or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested, or outstanding in Grantee's favor, which the Company receives from Grantee or the Employer ("Personal Data"). Grantee's provision of Personal Data is a contractual requirement under this Agreement and the Plan. Grantee's refusal to provide Personal Data would make it impossible for the Company to perform its contractual obligations and may affect Grantee's ability to participate in the Plan.

b) Stock Plan Administration Service Providers. The Company transfers Personal Data to Merrill Lynch, Pierce, Fenner & Smith Incorporated (including its affiliated companies; collectively "Bank of America Merrill Lynch"), an independent service provider with operations relevant to the Company in the United States, which assists the Company with the implementation, administration, and management of the Plan. In this case, Grantee's Personal Data will only be accessible by those individuals requiring access to it for purposes of implementing, administering, and operating the Plan. Grantee will be asked to agree on separate terms and data processing practices with Bank of America Merrill Lynch, which is a condition to Grantee's ability to participate in the Plan. In the future, the Company may select a different service provider, which will act in a similar manner, and share Personal Data with such service provider.

c) International Data Transfers. The Company and Bank of America Merrill Lynch are based in the United States, which means that it will be necessary for Personal Data to be transferred to, and processed in, the United States. If Grantee is outside the United States, Grantee should note that his or her country may have enacted data privacy laws that are different from the laws of the United States. Further, in the absence of appropriate safeguards such as EU Standard Contractual Clauses published by the EU Commission, the processing of Grantee's Personal Data in the United States or, as the case may be, other countries, might not be subject to substantive data processing principles or supervision by data protection authorities. In addition, Grantee might not have enforceable rights regarding the processing of his or her Personal Data in such countries.

The Company provides appropriate safeguards for protecting Personal Data that it receives in the United States through its adherence to EU Standard Contractual Clauses entered into between the Company and its Subsidiaries and Affiliates within the EU, the EEA and the United Kingdom. Grantee can ask for copies of such EU Standard Contractual Clauses using the following contact details: Rob Selker at rob.selker@eldoled.com, Loic Mrissa at lmrissa@distech-controls.com, or Ian Doyle at IDoyle@holophane.co.UK, or their successors. Bank of America Merrill Lynch has not implemented appropriate safeguards such as the EU Standard Contractual Clauses. As a consequence, if Grantee is located in the EU, the EEA or the United Kingdom, Personal Data is transferred by the Company to Bank of America Merrill Lynch solely based on Grantee's consent provided to the Company as follows:

If Grantee is located in the EU, the EEA or the United Kingdom, by signing or otherwise entering into this Agreement, Grantee unambiguously consents to the onward transfer of Personal Data by the Company to Bank of America Merrill Lynch as described in Section 18(c) above. Grantee understands that granting such consent is voluntary and that Grantee may, at any time and with future effect, refuse to provide such consent or withdraw such consent by contacting Rob Selker at rob.selker@eldoled.com, Loic Mrissa at lmrissa@distech-controls.com, or Ian Doyle at IDoyle@holophane.co.UK, or their successors. If Grantee does not consent or later withdraws consent, Grantee's employment status or service with the Employer will not be affected. The only consequence of not providing or withdrawing consent is that the Company would not be able to grant Performance Units or other equity awards to Grantee or administer or maintain such awards. Therefore, Grantee understands that refusing or withdrawing consent may affect his or her ability to participate in the Plan. For more information on the consequences of refusal or withdrawal of consent, Grantee may contact Rob Selker at rob.selker@eldoled.com, Loic Mrissa at lmrissa@distech-controls.com, or Ian Doyle at IDoyle@holophane.co.UK, or their successors.

d) Data Retention. The Company will use Grantee's Personal Data only as long as is necessary to implement, administer and manage Grantee's participation in the Plan or as required to comply with legal or regulatory obligations, including under tax, labor, securities, and exchange control laws. This period may extend beyond Grantee's employment with the Employer. When the Company no longer needs Grantee's Personal Data, the Company will remove it from it from its systems to the fullest extent reasonably practicable. If the Company keeps Personal Data longer, it would be to satisfy legal or regulatory obligations and the Company's legal basis would be relevant laws or regulations.

e) Data Subject Rights. Grantee has a number of rights under data privacy laws in his or her country. Depending on where Grantee is based and subject to the applicable statutory conditions, Grantee's rights include the right to (a) request access or copies of Personal Data the Company processes, (b) rectification of incorrect or incomplete data, (c) deletion of data, (d) restrictions on processing, (e) object to the processing for legitimate interests, (f) portability of data, (g) lodge complaints with competent authorities in Grantee's country, and/or (h) request a list with the names and addresses of any potential recipients of Grantee's Personal Data. To receive clarification regarding Grantee's rights or to exercise Grantee's rights, Grantee should contact his or her local human resources representative.

Controller and Authorized EU Representative. The Company is the controller responsible for the processing of Grantee's Personal Data as described in this Section 18. The Company's authorized representatives in the EU are Rob Selker, eldoLED B.V., Science Park Eindhoven 5125, 5692 ED Son, The Netherlands, and Loic Mrissa, Distech Controls, ZAC de Sacuny, 558 avenue Marcel Mérieux Brignais, France, or their successors.

CANADA
(Quebec Only)

Terms and Conditions

French Language Documents. A French translation of this document and the Plan will be made available to Grantee as soon as reasonably practicable. Notwithstanding anything to the contrary in the Agreement, and unless Grantee indicates otherwise, the French translation of this document and the Plan will govern Grantee's participation in the Plan.

Documents en Langue Française. *Une traduction française du présent document et du Plan sera mise à la disposition du Grantee dès que cela sera raisonnablement possible. Nonobstant toute disposition contraire dans le Contrat, et à moins que le Grantee n'indique le contraire, la traduction française du présent document et du Plan régira la participation du Grantee au Plan.*

Data Privacy. The following provision supplements Section 18 of the Agreement:

Grantee hereby authorizes the Company and the Company's representatives to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. Grantee further authorizes the Company, any Subsidiary or Affiliate to disclose and discuss the Plan with their advisors. Grantee further authorizes the Company and any Subsidiary or Affiliate to record such information and to keep such information in Grantee's employee file. Grantee acknowledges that Grantee's personal information, including any sensitive personal information, may be transferred or disclosed outside the province of Quebec, including to the U.S. If applicable, Grantee also acknowledges and authorizes the Company, the Employer, and Merrill Lynch to use technology for profiling purposes and to make automated decisions that may have an impact on Grantee or the administration of the Plan.

CANADA
(All Provinces, Including Quebec)

Terms and Conditions

Termination of Service. The following provision supplements Section 5(d) of the Agreement:

Notwithstanding Section 5(d) of the Agreement, if applicable employment standards legislation explicitly requires continued entitlement to vesting during a statutory notice period, Grantee's right to vest in the RSUs under the Plan, if any, will terminate effective as of the last day of Grantee's minimum statutory notice period, but Grantee will not earn or be entitled to pro-rated vesting if the Vesting Date falls after the end of Grantee's statutory notice period, nor will Grantee be entitled to any compensation for lost vesting.

Notifications

Securities Law Notice. Grantee acknowledges that he or she is permitted to sell the Shares acquired under the Plan through Bank of America Merrill Lynch or other such stock plan service provider as may be selected by the Company in the future, provided the sale of the Shares takes place outside of Canada through facilities of a stock exchange on which the Shares are listed. The Shares are currently listed on the New York Stock Exchange.

Foreign Asset and Account Reporting Information. Canadian residents may be required to report foreign specified property on Form T1135 (Foreign Income Verification Statement) if the total cost of the foreign specified property exceeds C$100,000 at any time in the year. Foreign specified property includes Shares acquired under the Plan and may include the Performance Units, and their cost generally is the adjusted cost base ("ACB") of the Shares. The ACB ordinarily would equal the fair market value of the Shares at the time of

acquisition, but if the Canadian resident owns other Shares, whether acquired under the Plan or outside of it, the ACB of Shares acquired pursuant to this Agreement may have to be averaged with the ACB of the other Shares. The Form T1135 generally must be filed by April 30 of the following year. Canadian residents should consult with a personal advisor to ensure compliance with the applicable reporting requirements.

FRANCE

Terms and Conditions

Performance Units Not French-qualified. The Performance Units granted under this Agreement are not intended to qualify for specific tax and social security treatment pursuant to Sections L. 225-197-1 to L. 225-197-6 of the French Commercial Code, as amended.

Language Consent. By accepting the grant, Grantee confirms having read and understood the Plan and Agreement which were provided in the English language. Grantee accepts the terms of those documents accordingly.

Consentement linguistique*. En acceptant l'attribution, le Participant confirme avoir lu et compris le Plan et le Contrat, qui ont été communiqués en langue anglaise. Le Participant accepte les termes de ces documents en connaissance de cause.*

Notifications

Foreign Asset and Account Reporting Information. French residents holding cash or Shares outside France must declare all foreign bank and brokerage accounts (including any accounts that were closed during the tax year) on an annual basis, together with their income tax return.

GERMANY

Notifications

Exchange Control Information. Cross-border payments in excess of €12,500 must be reported to the German Federal Bank (*Bundesbank*). If Grantee receives a payment in excess of €12,500 (including if Grantee acquires Shares under the Plan or receives dividends or Dividend Equivalents with a value in excess of this amount or sells Shares via a foreign broker, bank, or service provider and receives proceeds in excess of this amount), Grantee must report the payment to *Bundesbank*, either electronically using the "General Statistics Reporting Portal" (*Allgemeines Meldeportal Statistik*) available via *Bundesbank*'s website (www.bundesbank.de) or by such other method (*e.g.*, by email or telephone) as is permitted or required by *Bundesbank*. The report must be submitted monthly or within such other timing as is permitted or required by *Bundesbank*. Grantee should consult Grantee's personal legal advisor to ensure compliance with the applicable reporting requirements.

Foreign Asset/Account Reporting Information. If Grantee's acquisition of Shares under the Plan leads to a "qualified participation" at any point during the calendar year, Grantee will need to report the acquisition of Shares when Grantee files his or her tax return for the relevant year. A qualified participation is attained if (i) the value of the Shares acquired exceeds €150,000 or (ii) the Shares held exceed 10% of the total Common Stock. However, provided the Common Stock continues to be listed on a recognized stock exchange (*e.g.*, the New York Stock Exchange) and Grantee owns less than 1% of the Company, this requirement will not apply. Grantee should consult with his or her personal tax advisor to ensure Grantee complies with applicable reporting obligations.

ITALY

Terms and Conditions

Terms of Grant. By accepting the Performance Units, Grantee acknowledges that (a) Grantee has received a copy of the Plan, the Agreement and this Exhibit C; (b) Grantee has reviewed those documents in their entirety and fully understands the contents thereof; and (c) Grantee accepts all provisions of the Plan and the Agreement, including this Exhibit C. Grantee further acknowledges that Grantee has read and specifically and expressly approves, without limitation, the following sections of the Agreement: Section 3 (Acceptance of Performance Unit Award); Section 5 (Vesting of Performance Unit Award); Section 14 (Grantee's Representation); Section 15

(Confidentiality, Inventions, Non-Solicitation and Non-Competition); Section 16 (Nature of Grant); Section 17 (Responsibility for Taxes); Section 18 (Data Privacy); Section 20 (Insider Trading/Market Abuse Restrictions); Section 24 (Language) and Section 26 (Governing Law and Venue).

Notifications

Foreign Asset / Account Reporting Requirement. Italian residents who, during any fiscal year, hold investments or financial assets outside Italy (*e.g.*, cash, Shares) which may generate income taxable in Italy must report such investments or assets in their annual tax return or on a special form if no tax return is due. These reporting obligations also apply if an Italian resident is the beneficial owner of foreign financial assets under Italian money laundering provisions.

MEXICO

Terms and Conditions

Labor Law Policy and Acknowledgment. By participating in the Plan, Grantee expressly recognizes that Acuity Brands Inc., with registered offices at 1170 Peachtree Street, NE Suite 1200, Atlanta, GA 30309, U.S., is solely responsible for the administration of the Plan and that Grantee's participation in the Plan and acquisition of Shares does not constitute a relationship as an Employee with the Company since Grantee is participating in the Plan on a wholly commercial basis and the sole Employer is a Subsidiary or Affiliate of the Company ("Acuity-Mexico"). Based on the foregoing, Grantee expressly recognizes that the Plan and the benefits that may be derived from participation in the Plan do not establish any rights between Grantee and the Employer, Acuity-Mexico, and do not form part of the employment conditions and/or benefits provided by Acuity-Mexico and any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of Grantee's relationship as an Employee.

Grantee further understands that Grantee's participation in the Plan is as a result of a unilateral and discretionary decision of the Company. Therefore, the Company reserves the absolute right to amend and/or discontinue Grantee's participation at any time without any liability to Grantee.

Finally, Grantee hereby declares that Grantee does not reserve to himself or herself any action or right to bring any claim against the Company for any compensation or damages regarding any provision of the Plan or the benefits derived under the Plan, and Grantee therefore grants a full and broad release to the Company, the Employer, its Subsidiaries and Affiliates, branches, representation offices, its stockholders, officers, agents or legal representatives with respect to any claim that may arise.

Política de Ley Laboral y Reconocimiento. *Participando en el Plan, el Participante reconoce expresamente que* Acuity Brands Inc.*, con oficinas registradas en 1170 Peachtree Street, NE Suite 1200, Atlanta, GA 30309, U.S., es el único responsable de la administración del Plan y que la participación del Participante en el mismo y la compra de acciones bursátiles no constituye de ninguna manera una relación laboral entre Usted y la Compañía dado que su participación en el Plan deriva únicamente de una relación comercial y que su único empleador es una Subsidiaria o Afiliada del la Compañía ("Acuity-Mexico"). Derivado de lo anterior, el Participante expresamente reconoce que el Plan y los beneficios que pudieran derivar del mismo no establecen ningún derecho entre el Participante y el empleador, Acuity-Mexico, y no forman parte de las condiciones laborales y/o prestaciones otorgadas por Acuity-Mexico, y cualquier modificación al Plan o la terminación del mismo no podrá ser interpretada como una modificación o degradación de los términos y condiciones de su trabajo.*

Asimismo, el Participante entiende que su participación en el Plan es resultado de la decisión unilateral y discrecional de la Compañía. Por lo tanto, la Compañía se reserva el derecho absoluto para modificar y/o terminar la participación del Participante en cualquier momento, sin ninguna responsabilidad ante el Participante.

Finalmente, el Participante manifiesta que no se reserva ninguna acción o derecho que origine una demanda en contra de la Compañía por cualquier compensación o daño en relación con cualquier disposición del Plan o de los beneficios derivados del mismo, y en consecuencia el Participante otorga un amplio y total finiquito a la Compañía, el Empleador, sus Subsidiarias y Afiliadas, sucursales, oficinas de representación, sus accionistas, directores, agentes y representantes legales con respecto a cualquier demanda que pudiera surgir.

Securities Law Information. The Performance Units and the Shares offered under the Plan have not been registered with the National Register of Securities maintained by the Mexican National Banking and Securities

Commission and cannot be offered or sold publicly in Mexico. In addition, the Plan, the Agreement and any other document relating to the Performance Units may not be publicly distributed in Mexico. These materials are addressed to Grantee only because of Grantee's existing relationship with the Company and these materials should not be reproduced or copied in any form. The offer contained in these materials does not constitute a public offering of securities but rather constitutes a private placement of securities addressed specifically to individuals who are present Employees in Mexico made in accordance with the provisions of the Mexican Securities Market Law, and any rights under such offering shall not be assigned or transferred.

NETHERLANDS

There are no country specific provisions.

UNITED KINGDOM

Terms and Conditions

Issuance of Shares upon Vesting. The following supplements Section 7 of the Agreement:

Notwithstanding anything to the contrary in the Plan or the Agreement, Performance Units granted to Grantees resident in the United Kingdom ("U.K.") shall be paid in Shares only.

Responsibility for Taxes. The following supplements Section 17 of the Agreement:

Without limitation to Section 17 of the Agreement, Grantee hereby agrees that he or she is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items, as and when requested by the Company, the Employer or by HM Revenue & Customs ("HMRC") (or any other tax authority or any other relevant authority). Grantee also hereby agrees to indemnify and keep indemnified the Company and (if different) the Employer against any Tax-Related Items that they are required to pay or withhold or have paid or will pay to HMRC (or any other tax authority or any other relevant authority) on Grantee's behalf.

Notwithstanding the foregoing, if Grantee is a director or executive officer of the Company (within the meaning of Section 13(k) of the Exchange Act), the terms of immediately foregoing provision will not apply. In this case, the amount of the income tax not collected within ninety (90) days of the end of the U.K. tax year in which an event giving rise to the Tax-Related Items occurs may constitute a benefit to Grantee on which additional income tax and National Insurance contributions ("NICs") may be payable. Grantee understands that he or she will be responsible for reporting any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for paying the Company or the Employer, as applicable, for the value of any employee NICs due on this additional benefit, which may be recovered from Grantee by the Company or the Employer at any time thereafter by any of the means referred to in Section 17 of the Agreement.

EXHIBIT D

CONFIDENTIALITY, INVENTIONS, NON-SOLICITATION AND NON-COMPETITION PROVISIONS

1. Definitions.

A. **"Confidential Information"** "Confidential Information" means the following:

i. data and information relating to the Company's Business (as defined herein); which is disclosed to Grantee or of which Grantee became aware of as a consequence of Grantee's relationship with the Company; has value to the Company; is not generally known to the competitors of the Company; and which includes trade secrets, methods of operation, names of customers, price lists, financial information and projections, personnel data, and similar information. For purposes of the Confidentiality, Inventions, Non-Solicitation and Non-Competition Provisions (the "Confidentiality Provisions"), subject to the foregoing, and according to terminology commonly used by the Company, the Company's Confidential Information shall include, but not be limited to, information pertaining to: (1) business opportunities; (2) data and compilations of data relating to the Company's Business; (3) compilations of information about, and communications and agreements with, customers and potential customers of the Company; (4) computer software, hardware, network and internet technology utilized, modified or enhanced by the Company or by Grantee in furtherance of Grantee's duties with the Company; (5) compilations of data concerning Company products, services, customers, and end users including but not limited to compilations concerning projected sales, new project timelines, inventory reports, sales, and cost and expense reports; (6) compilations of information about the Company's employees and independent contracting consultants; (7) the Company's financial information, including, without limitation, amounts charged to customers and amounts charged to the Company by its vendors, suppliers, and service providers; (8) proposals submitted to the Company's customers, potential customers, wholesalers, distributors, vendors, suppliers and service providers; (9) the Company's marketing strategies and compilations of marketing data; (10) compilations of data or information concerning, and communications and agreements with, vendors, suppliers and licensors to the Company and other sources of technology, products, services or components used in the Company's Business; (11) any information concerning services requested and services performed on behalf of customers of the Company, including planned products or services; and (12) the Company's research and development records and data. Confidential Information also includes any summary, extract or analysis of such information together with information that has been received or disclosed to the Company by any third party as to which the Company has an obligation to treat as confidential.

ii. Confidential Information shall not include:

a) Information generally available to the public other than as a result of improper disclosure by Grantee;

b) Information that becomes available to Grantee from a source other than the Company (provided Grantee has no knowledge that such information was obtained from a source in breach of a duty to the Company);

c) Information disclosed pursuant to law, regulations or pursuant to a subpoena, court order or legal process; and/or

d) Information obtained in filings with the Securities and Exchange Commission.

B. **"Trade Secrets"** has the meaning set forth under Georgia law, O.C.G.A. §§ 10-1-760, et seq.

C. **"Customers"** means those entities and/or individuals which, within the two-year period preceding the Date of Termination (as that term is defined in the Performance Unit Award Agreement): (i) Grantee had material contact on behalf of the Company; (ii) about whom Grantee acquired, directly or indirectly, Confidential Information or Trade Secrets as a result of his/her employment with the Company; and/or (iii) Grantee exercised oversight or responsibility of subordinates who engaged in Material Contact on behalf of the Company. Additionally, "Customers" references only those entities and/or individuals with whom the Company currently has a business relationship, or with whom it expended resources to have or resume the same during the two-year period referenced herein.

D. **"Company"** means Acuity Brands, Inc., along with its Subsidiaries or other Affiliates.

E. **"Company's Business"** means the design, manufacture, installation, servicing, and/or sale of one or more of the following and any related products and/or services: lighting fixtures and systems; lighting control components and systems (including but not limited to dimmers, switches, relays, programmable lighting controllers, sensors, timers, and range extenders for lighting and energy management and other purposes); building management and/or control systems; commercial building lighting controls; intelligent building automation and energy management products, software and solutions; motorized shading and blind controls; building security and access control and monitoring for fire and life safety; emergency lighting fixtures and systems (including but not limited to exit signs, emergency light units, inverters, back-up power battery packs, and combinations thereof); battery powered and/or photovoltaic lighting fixtures; electric lighting track units; hardware for mounting and hanging electrical lighting fixtures; aluminum, steel and fiberglass fixture poles for electric lighting; light fixture lenses; sound and electromagnetic wave receivers and transmitters; flexible and modular wiring systems and components (namely, flexible branch circuits, attachment plugs, receptacles, connectors and fittings); LED drivers and other power supplies; daylighting systems including but not limited to prismatic skylighting and related controls; organic LED products and technology; medical and patient care lighting devices and systems; indoor positioning products and technology; software and hardware solutions that collect data about building and business operations and occupant activities via sensors and use that data to provide software services or data analytics; sensor based information networks; and any wired or wireless communications and monitoring hardware or software related to any of the above. This shall not include any product or service of the Company if the Company is no longer in the business of providing such product or service to its customers at the relevant time of enforcement.

F. **"Employee Services"** shall mean the duties and services of the type conducted, authorized, offered, or provided by Grantee in his/her capacity as an Employee on behalf of the Company within twelve (12) months prior to the Date of Termination.

G. **"Territory"** means the country in which Grantee is employed by the Company (the "Country"). Grantee acknowledges that the Company is licensed to do business in the Country and in fact does business in all states, territories, provinces and other parts of the Country. Grantee further acknowledges that the services she/he has performed on behalf of the Company are at a senior level and are not limited in their territorial scope to any particular city, state, or region, but instead affect the Company's activity within the Country. Specifically, Grantee provides Employee Services on the Company's behalf throughout the Country, meets with Company agents and distributors, develops products and/or contacts throughout the Country, and otherwise engages in his/her work on behalf of the Company on a national level. Accordingly, Grantee agrees that these restrictions are reasonable and necessary to protect the Confidential Information, trade secrets, business relationships, and goodwill of the Company.

H. **"Material Contact"** shall have the meaning set forth in O.C.G.A. § 13-8-51(10), which includes contact between an employee and each Customer or potential Customer: with whom or which Grantee dealt on behalf of the Company; whose dealings with the Company were coordinated or supervised by Grantee; about whom Grantee obtained confidential information in the ordinary course of business as a result of such employee's association with the Company; and/or who receives products or services authorized by the Company, the sale or provision of which results or resulted in compensation, commissions, or earnings for Grantee within two years prior to the Date of Termination.

I. **"Termination for Cause"** or **"Terminated for Cause"** shall mean the involuntary termination of Grantee by the Company for the following reasons:

i. If termination shall have been the result of an act or acts by Grantee which constitute an indictable offense, a felony or any crime involving dishonesty, theft, fraud or moral turpitude;

ii. If termination shall have been the result of an act or acts by Grantee which are determined, in the good faith judgment of the Company, to be in violation of written policies of the Company;

iii. If termination shall have been the result of an act or acts of dishonesty by Grantee resulting or intended to result directly or indirectly in gain or personal enrichment to Grantee at the expense of the Company;

iv. Upon the willful and continued failure by Grantee to substantially perform the duties assigned to Grantee (other than any such failure resulting from incapacity due to mental or physical illness constituting a Disability), after a demand in writing for substantial performance of such duties is delivered by the Company, which demand specifically identifies the manner in which the Company believes that Grantee has not substantially performed his or her duties; or

v. If termination shall have been the result of the unauthorized disclosure by Grantee of the Company's Confidential Information or violation of any other provision of the Confidentiality Provisions.

J. **"Inventions"** and **"Works For Hire."** The term "Invention" means contributions, discoveries, improvements and ideas and works of authorship, whether or not patentable or copyrightable, and: (i) which relate directly to the Company's Business, or (ii) which result from any work performed by Grantee or by Grantee's fellow employees for the Company, or (iii) for which equipment, supplies, facilities, Confidential Information or Trade Secrets of the Company are used, or (iv) which is developed on the Company's time. The term "Works For Hire" ("Works") means all documents, programs, software, creative works and other expressions and information in any tangible medium created, in whole or in part, by Grantee during the period of and relating to his/her employment with the Company, whether copyrightable or otherwise protectable, other than Inventions.

2. Confidentiality, Inventions, Non-Solicitation and Non-Competition.

A. **Purpose and Reasonableness of Provisions.** Grantee acknowledges that, during the term of his/her employment with the Company and after the Date of Termination, the Company has furnished and may continue to furnish to Grantee Trade Secrets and Confidential Information, which, if used by Grantee on behalf of, or disclosed to, a competitor of the Company or other person, could cause substantial detriment to the Company. Moreover, the parties recognize that Grantee, during the term of his/her employment with the Company, has developed important relationships with customers, agents, and others having valuable business relationships with the Company, and that these relationships may continue to develop after the Date of Termination. In view of the foregoing, Grantee acknowledges and agrees that the restrictive covenants contained in this Section 2 are reasonably necessary to protect the Company's legitimate business interests, Confidential Information, and good will.

B. **Trade Secrets and Confidential Information.** Grantee agrees that he/she shall protect the Company's Trade Secrets (as defined in Section 1(b) above) and Confidential Information (as defined in Section 1(a) above) and shall not disclose to any person or entity, or otherwise use or disseminate, except in connection with the performance of his/her duties for the Company, any Trade Secrets or Confidential Information. However, Grantee may make disclosures required by a valid order or subpoena issued by a court or administrative agency of competent jurisdiction, in which event Grantee will promptly notify the Company of such order or subpoena to provide it an opportunity to protect its interests. Grantee's obligations under this Section 2(b) have applied throughout his/her active employment, shall continue after the Date of Termination, and shall survive any expiration or termination of the Confidentiality Provisions, so long as the information or material remains Confidential Information or a Trade Secret, as applicable.

Grantee further confirms that during his/her employment with the Company, including after the Date of Termination, he/she has not and will not offer, disclose or use on Grantee's own behalf or on behalf of the Company, any information Grantee received prior to employment by the Company which was supplied to Grantee confidentially or which Grantee should reasonably know to be confidential.

Nothing in this section prohibits Grantee from reporting possible violations of law or regulation to any governmental agency or entity, or making other disclosures that are protected under the whistleblower provisions of law or regulation. Grantee does not need the prior authorization of the Company to make any such reports or disclosures, and Grantee is not required to notify the Company that Grantee has made such reports or disclosures.

C. **Return of Property**. On or before the Date of Termination, Grantee agrees to deliver promptly to the Company all files, customer lists, management reports, memoranda, research, Company forms, financial data and reports and other documents (including all such data and documents in electronic form) of the Company, supplied to or created by him/her in connection with his/her employment hereunder (including all copies of the foregoing) in his/her possession or control, and all of the Company's equipment and other materials in his/her possession or control. Grantee further agrees and covenants not to retain any

such property and to permanently delete such information residing in electronic format to the best of his/her ability and not to attempt to retrieve it. Grantee's obligations under this Section 2(c) shall survive any expiration or termination of the Confidentiality Provisions.

D. **Inventions.** Grantee does hereby assign to the Company the entire right, title and interest in any Invention which is or was made or conceived, either solely or jointly with others, during his/her employment with the Company, including after the Date of Termination. Grantee attests that he/she has disclosed (or promptly will disclose, if after the Date of Termination) to the Company all such Inventions. Grantee will, if requested, promptly execute and deliver to the Company a specific assignment of title for any such Invention and will at the expense of the Company, take all reasonably required action by the Company to patent, copyright or otherwise protect the Invention.

E. **Non-Competition.** In the event that Grantee,

i. voluntarily resigns from the Company,

ii.is Terminated for Cause (as defined above), or

iii. declines to sign a Confidential Severance Agreement and Release offered by the Company in the event of a termination for any reason other than a Termination for Cause (including, for example, as a result of a position elimination).

Grantee acknowledges and agrees that during his/her employment, and for twelve (12) months after the Date of Termination, he/she has not and will not, directly or indirectly, engage in, provide, or perform any Employee Services on behalf of any person or entity (or, if organized into divisions or units, any distinct division or operating unit) in the Territory that derives revenue from providing goods or services substantially similar to those which comprise the Company's Business. Notwithstanding the foregoing, if the Company terminates Grantee's employment for any reason other than a Termination for Cause (including, for example, as a result of a position elimination), and Grantee signs a Confidential Severance Agreement and Release offered by the Company, the period covered by this non-competition covenant will be reduced to either: (i) the time within which severance payments are scheduled to be paid to Grantee under such agreement, or (ii) if severance is paid to Grantee in a lump sum, the number of weeks of Grantee's then-current regular salary that are used to calculate such lump sum payment; provided, however, that the restrictive period calculated hereunder shall not, in any event, exceed twelve (12) months following the Date of Termination.

F. **Non-Solicitation of Customers**. Grantee acknowledges and agrees that during his/her employment, and for twenty-four (24) months after the Date of Termination, Grantee has not and will not directly or indirectly solicit Customers (as defined in Section 1(c) above) with whom he/she had Material Contact (as defined in 1(g) above) for the purpose of providing goods and/or services competitive with the Company's Business.

G. **Non-Solicitation of Employees and Agents.** Grantee acknowledges and agrees that during his/her employment, and for a period of twenty-four (24) months after the Date of Termination, Grantee has not and will not, directly or indirectly, whether on behalf of Grantee or others, solicit, lure or attempt to hire away any of the Company's employees or agents.

H. **Non-Solicitation of Sales Agents.** Grantee acknowledges and agrees that during his/her employment, and for a period of twenty-four (24) months after the Date of Termination, Grantee has not and will not, directly or indirectly, whether on behalf of Grantee or others, solicit any of the Company's Sales Agents for the purpose of disrupting their relationship with the Company and/or selling and/or facilitating the sale of products competitive with the Company's Business. For purposes of this Section 2, a "Sales Agent" is any third-party agency, and/or its representatives, with which or whom the Company has contracted for the purpose of facilitating the sale of the Company's products during the last twenty-four (24) months of Grantee's employment with the Company.

I. **Injunctive Relief.** Grantee acknowledges that if he/she breaches or threatens to breach any of the provisions of this Section 2, his/her actions may cause irreparable harm and damage to the Company which could not be compensated in damages. Accordingly, if Grantee breaches or threatens to breach any of the provisions of this Section 2, the Company shall be entitled to seek injunctive relief, in addition to any other rights or remedies the Company may have. The existence of any claim or cause of action by

Grantee against the Company, whether predicated on the Confidentiality Provisions or otherwise, shall not constitute a defense to the enforcement by the Company of Grantee's agreements under this Section 2.

3. **Non-Assignable by Grantee**. The parties acknowledge that the Confidentiality Provisions have been entered into due to, among other things, the special skills and knowledge of Grantee, and agree that the Confidentiality Provisions may not be assigned or transferred by Grantee.

4. **Notices**. All notices, requests, demands and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given when delivered or seven days after mailing if mailed first class, certified mail, postage prepaid, addressed as follows:

   If to the Company: Acuity Brands, Inc.
   Attention: Corporate Secretary
   1170 Peachtree Street, NE, Suite 1200
   Atlanta, Georgia 30309

   If to Grantee: To his or her last known address on file with the Company.

   Any party may change the address to which notices, requests, demands and other communications shall be delivered or mailed by giving notice thereof to the other party in the same manner provided herein.

5. **Provisions Severable**. If any provision or covenant, or any part thereof, contained in the Confidentiality Provisions is held by any court, agency, arbitrator or other competent authority to be invalid, illegal, or unenforceable, either in whole or in part, such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of the remaining provisions or covenants, or any part thereof, in the Confidentiality Provisions, all of which shall remain in full force and effect. Each and every provision, paragraph and subparagraph of Section 2 above is severable from the other provisions, paragraphs and subparagraphs and constitutes a separate and distinct covenant. To the extent a court, agency, arbitrator or other competent authority finds that a provision is unenforceable because it is overbroad, the court may modify or reform the provision to the minimum extent necessary for the provision to remain in force and effect for the maximum duration, subject matter scope and geographic area as to which it may be enforceable.

   The restrictive covenants set forth in Section 2 of the Confidentiality Provisions represent the entire agreement of the parties with respect to the subject matter thereof and supersede any prior agreement with respect thereto; provided, however, that the restrictive covenants described in this Exhibit D shall not supersede those set forth in either: (a) any Executive Severance Agreement applicable to Grantee, if any, (b) any Confidentiality, Inventions and Non-Solicitation Agreement to which Grantee is a party, if any, or (c) any restrictive covenants to which Grantee is a party under any employment agreement or offer letter, if any. To the extent that any agreement applicable to Grantee include restrictive covenant provisions that conflict with the provisions contained in these Confidentiality Provisions, the provisions that are more restrictive on Grantee will control.

6. **Waiver**. Failure of either party to insist, in one or more instances, on performance by the other in strict accordance with the terms and conditions of the Confidentiality Provisions shall not be deemed a waiver or relinquishment of any right granted in the Confidentiality Provisions or the future performance of any such term or condition or of any other term or condition of the Confidentiality Provisions, unless such waiver is contained in a writing signed by the party making the waiver.

7. **Amendments and Modifications.** The Confidentiality Provisions and any Exhibit hereto may be amended or modified only by a writing signed by both parties hereto, which makes specific reference to the Confidentiality Provisions. However, this Section does not affect a court of competent jurisdiction or arbitrator`s ability to modify the Confidentiality Provisions, pursuant to O.C.G.A. §§ 13-8-51(11); 53(d); or 54 in the event that either party initiates legal proceedings that relate in any way to this Confidentiality Provisions, including any action brought by either party seeking to enforce any provision set forth herein.

8. **Governing Law and Venue**. The validity and effect of the Confidentiality Provisions shall be governed by and construed and enforced in accordance with the laws of the State of Georgia, United States of America, without regard to its conflict of law provisions. Any and all disputes relating to, concerning or arising from the Confidentiality Provisions, or relating to, concerning or arising from the relationship between the parties evidenced by the Confidentiality Provisions, shall be brought and heard exclusively in the U.S. District Court for the District of Delaware or the Delaware Superior Court, New Castle County. Each of the parties hereby

represents and agrees that such party is subject to the personal jurisdiction of said courts; hereby irrevocably consents to the jurisdiction of such courts in any legal or equitable proceedings related to, concerning or arising from such dispute, and waives, to the fullest extent permitted by law, any objection which such party may now or hereafter have that the laying of the venue of any legal or equitable proceedings related to, concerning or arising from such dispute which is brought in such courts is improper or that such proceedings have been brought in an inconvenient forum.

9. **Legal Fees.** Each party shall pay its own legal fees and other expenses associated with any dispute under the Confidentiality Provisions or any Exhibit hereto.

10. **Tender Back Provision.** If, in the context of a lawsuit involving Grantee or any other person or entity arguing on Grantee's behalf, any court determines that any provisions of Section 2 are void, invalid, illegal, or otherwise unenforceable, Grantee shall be required to immediately return to the Company 70% of all monies paid out under Section 7 of the Performance Unit Award Agreement, or to return 70% of any unsold shares Grantee still owns of such Performance Units awarded under Section 7 of the Performance Unit Award Agreement. For purposes of this section, the amount to be paid back shall be determined by ascertaining the value and amount the share(s) sold at the time that Grantee actually sold such share(s). You acknowledge and agree that this covenant does not constitute a penalty clause.

11. **Tolling Period.** If Grantee is found by a court to have violated any restriction in Section 2 of the Confidentiality Provisions, he/she agrees that the time period for such restriction shall be extended by one day for each day that he/she is found to have violated the restriction, up to a maximum of 18 months.

12. **Language.** The parties acknowledge that they have requested and are satisfied that the Confidentiality Provisions and all related documents be in the English language.

SPECIAL TERMS AND CONDITIONS EXHIBIT TO THE CONFIDENTIALITY, INVENTIONS, NON-SOLICITATION AND NON-COMPETITION PROVISIONS FOR GRANTEES OUTSIDE THE U.S.

This Appendix includes additional country-specific terms and conditions that apply to Grantees in the countries listed below with respect to the Confidentiality, Inventions, Non-Solicitation and Non-Competition Provisions (the "Confidentiality Provisions"). This Appendix is part of the Confidentiality Provisions and contains terms and conditions material to Grantee's rights and obligations under the Confidentiality Provisions. Unless otherwise provided below, capitalized terms used but not defined herein shall have the same meanings assigned to them in the Plan and the Confidentiality Provisions.

CANADA

The following provision replaces Section 1(b) of the Confidentiality Provisions:

> **"Trade Secrets"** means technical or nontechnical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, product plans, a list of actual or potential customers or suppliers, or any other proprietary information which is not commonly known by or available to the public and which information: (A) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who obtain economic value from its disclosure or use; and (B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

The following provision replaces Section 1(h) of the Confidentiality Provisions:

> **"Material Contact"** means contact between an employee and each Customer or potential Customer: with whom or which Grantee dealt on behalf of the Company; whose dealings with the Company were coordinated or supervised by Grantee; about whom Grantee obtained Confidential Information in the ordinary course of business as a result of such employee's association with the Company; and/or who receives products or services authorized by the Company, the sale or provision of which results or resulted in compensation, commissions, or earnings for Grantee within two years prior to the date of the Date of Termination.

The following provision shall be added to Section 1(i) as sub-section (vi):

> "or (vi) Any other act or omission, or a series of acts or omissions, of Grantee which, pursuant to applicable law, constitutes "good and sufficient reason" or "just cause" (either at common law or civil law) for termination of employment without notice, payment in lieu of notice or any indemnity whatsoever."

The following provision replaces Section 1(j) of the Confidentiality Provisions:

> **"Inventions"** and "**Works For Hire."** The term "Invention" means contributions, discoveries, improvements and ideas and works of authorship, whether or not patentable or copyrightable, and: (i) which relate directly to the Company's Business, or (ii) which result from any work performed by Grantee or by Grantee's fellow employees for the Company, or (iii) for which equipment, supplies, facilities, Confidential Information or Trade Secrets of the Company are used, or (iv) which is developed on the Company's time. The term "Works For Hire", also known as "Work Made in the Course of Employment" under s. 13(3) of the Canadian *Copyright Act*, ("Works") means all documents, programs, software, creative works and other expressions and information in any tangible medium created, in whole or in part, by Grantee during the period of and relating to his/her employment with the Company, whether copyrightable or otherwise protectable, other than Inventions.

The following provision replaces Section 2(d) of the Confidentiality Provisions:

> **Inventions.** Grantee does hereby assign to the Company the entire right, title and interest in any Invention which is or was made or conceived, either solely or jointly with others, and does hereby waive any and all other rights in any Inventions that are non-assignable, including, but not limited to common law rights, moral rights or any non-economic rights, during his/her employment with the Company, including after the Date of Termination. Grantee attests that he/she has disclosed (or promptly will disclose, if after the Date of Termination) to the Company all such Inventions. Grantee will, if requested,

promptly execute and deliver to the Company a specific assignment of title for any such Invention and will at the expense of the Company, take all reasonably required action by the Company to patent, copyright or otherwise protect the Invention.

The following provision replaces Section 2(e) of the Confidentiality Provisions:

E. Non-Competition.

Grantee acknowledges and agrees that during his/her employment, and for twelve (12) months after the Date of Termination, he/she has not and will not engage in, provide, or perform any Employee Services on behalf of any person or entity (or, if organized into divisions or units, any distinct division or operating unit) in the Territory that derives revenue from providing goods or services substantially similar to those which comprise the Company's Business.

The following provision replaces Section 2(f) of the Confidentiality Provisions:

F. Non-Solicitation of Customers.

Grantee acknowledges and agrees that during his/her employment, and for eighteen (18) months after the Date of Termination, Grantee has not and will not solicit Customers (as defined in Section 1(c) above) with whom he/she had Material Contact (as defined in 1(h) above) for the purpose of providing goods and/or services competitive with the Company's Business.

The following provision replaces Section 2(g) of the Confidentiality Provisions:

G. Non-Solicitation of Employees and Agents.

Grantee acknowledges and agrees that during his/her employment, and for a period of eighteen (18) months after the Date of Termination, Grantee has not and will not, whether on behalf of Grantee or others, solicit, lure or attempt to hire away any of the Company's employees or agents.

The following provision replaces Section 2(h) of the Confidentiality Provisions:

H. Non-Solicitation of Sales Agents.

Grantee acknowledges and agrees that during his/her employment, and for a period of eighteen (18) months after the Date of Termination, Grantee has not and will not, whether on behalf of Grantee or others, solicit any of the Company's Sales Agents for the purpose of disrupting their relationship with the Company and/or selling and/or facilitating the sale of products competitive with the Company's Business. For purposes of this Section 2, a "Sales Agent" is any third-party agency, and/or its representatives, with which or whom the Company has contracted for the purpose of facilitating the sale of the Company's products during the last twenty-four (24) months of Grantee's employment with the Company

The following provision replaces Section 7 of the Confidentiality Provisions:

Amendments and Modifications. The Confidentiality Provisions and any Exhibit hereto may be amended or modified only by a writing signed by both parties hereto, which makes specific reference to the Confidentiality Provisions. However, this Section does not affect a court of competent jurisdiction or arbitrator's ability to modify the Confidentiality Provisions, as the case may be, in the event that either party initiates legal proceedings that relate in any way to the Confidentiality Provisions, including any action brought by either party seeking to enforce any provision set forth herein.

The following provision replaces Section 12 of the Confidentiality Provisions:

Language. The parties acknowledge that they have requested and are satisfied that the Confidentiality Provisions and all related documents be drawn up in the English language. Les parties aux présentes reconnaissent avoir requis que la présente entente et les documents qui y sont relatifs soient rédigés en anglais.

FRANCE

For the purpose of the provisions hereafter, the Company means the local entity in France by whom Grantee is employed.

The following provision replaces Section 1(b) of the Confidentiality Provisions:

> **"Trade Secrets"** means technical or nontechnical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, product plans, or a list of actual or potential customers or suppliers which is not commonly known by or available to the public and which information: (A) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who obtain economic value from its disclosure or use; and (B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

The following provision replaces Section 1(g) of the Confidentiality Provisions:

> **"Territory"** means the location in which the non-competition restriction will apply, hereby defined as the region(s) in France in which Grantee worked. Grantee acknowledges that the Company is licensed to do business in the Territory. Accordingly, Grantee agrees that these restrictions are reasonable and necessary to protect the Confidential Information, trade secrets, business relationships, and goodwill of the Company.

The following provision replaces Section 1(h) of the Confidentiality Provisions:

> **"Material Contact"** means contact between an employee and each Customer or potential Customer: with whom or which Grantee dealt on behalf of the Company; whose dealings with the Company were coordinated or supervised by Grantee; about whom Grantee obtained confidential information in the ordinary course of business as a result of such employee's association with the Company; and/or who receives products or services authorized by the Company, the sale or provision of which results or resulted in compensation, commissions, or earnings for Grantee within two years prior to the date of the Date of Termination.

Section 1(i) of the Confidentiality Provisions is deleted.

Section 1(j) of the Confidentiality Provisions is deleted.

The following provision replaces Section 2(d) of the Confidentiality Provisions:

> **Inventions.** Grantee will make full and prompt disclosure to the Company of all inventions, discoveries, designs, designations, developments, software, drawings, logos, sketches, models, articles, studies, reports, methods, modifications, improvements, processes, algorithms, databases, computer programs, formulae, techniques, trade secrets, graphics or images, and audio or visual works and other works of authorship (collectively "Developments"), whether or not patentable or copyrightable, that are created, made, conceived or reduced to practice by Grantee (alone or jointly with others) or under his/her direction in the course of Grantee's employment. Grantee acknowledges and agree that, to the fullest extent permitted by law, (i) all Developments shall automatically belong to, and shall be the sole property of the Company and that (ii) to the extent that any Development do not vest in the Company automatically, Grantee irrevocably hereby assign to the Company by way of present assignment, all right, title, and interest Grantee may have or may acquire in and to all Developments anywhere in the world. In particular, in accordance with the provisions of article L. 113-9 of the Intellectual Property Code, Grantee acknowledge that the intellectual property rights to any software and their documentation developed by Grantee in the course of his/her employment contract belong as a matter of law to the Company. In accordance with the provisions of article L. 611-7 of the Intellectual Property Code, Grantee further acknowledges that the inventions made within the context of his/her employment providing for an "inventive mission" which corresponds to his/her actual duties, or, as part of studies or research which have been specifically entrusted to Grantee, belong to the Company as a right ("Inventions of Mission").
>
> In accordance with the provisions of article L. 611-7 of the Intellectual Property Code, which provide that the employee is entitled to receive an additional remuneration for the Inventions of Mission, Grantee agrees that such additional remuneration, if any, will be determined in the following manner: Grantee will be paid an additional remuneration only to the extent Grantee personally contributed to the inventive process which led to the perfection of the Invention of Mission. Such additional remuneration shall be

determined by the Company, pursuant to local law, upon development of the Invention of Mission, upon patent filing of the Invention of Mission, and/or upon the granting of the patent on an Invention of Mission. In addition, after 5 years of exploitation of the Invention of Mission, the Company may decide to pay Grantee an additional award, which amount should be mutually agreed on between Grantee and the Company, by taking into consideration the economic and scientific interest of the invention of mission, the difficulties of development of the Invention of Mission, and Grantee's personal contribution. Grantee further acknowledge that for all the other inventions created either (i) in the performance of Grantee's duties, (ii) in the field of the Company's activity, or (iii) by using knowledge or technologies or Company's specific methods or information acquired by the Company, the Company may require that all rights to ownership and use of such inventions and the patents protecting such inventions be assigned to it. Grantee further undertake, in particular, to disclose to the Company any copyrightable works that he/she may create, either alone or with the assistance of a third party including notably (but without limitation) any drawings, logos, sketches, models, designs, articles, studies, reports and all documentation which are susceptible to be protected under copyright law (hereafter the "Copyrightable Works").

Grantee hereby assigns to the Company, in consideration of a lump sum already included in his/her salary as provided in his/her employment contract the exploitation rights on the Copyrightable Works including (but without limitation) the rights of reproduction on any analogical or digital media, in any form and format (whether known at the execution date of the contract or discovered in the future), of communication to the public by any process (whether known at the execution date of my employment contract or discovered in the future), of distribution, rental, loan and sale, of filing any trademark, design or model applications on whole or any part of the Copyrightable Works with the relevant authorities around the world, and of adaptation, translation and modification of the Copyrightable Works for any commercial or advertising purpose whether public or private. Media and processes shall include without limitation, any means of communication, direct or indirect, spatial or terrestrial, by satellite, cable, or over the air and any wired or wireless network including the Internet. The assignment occurs as soon as the Copyrightable Works are created and is valid for the entire world for the duration of the copyright, including any legal prorogation for whatever reason. Grantee hereby assigns and transfer to the Company all results from the use of Proprietary Information, premises or personal property ("Company Related Developments"). Grantee further undertake to execute all documents and take all additional actions as may be requested by the Company to give full and proper effect to the present assignment, whether during or after the term of his/her employment, and particularly to enter into a specific assignment agreement for each work, as soon as such work is created. To preclude any possible uncertainty, Grantee has set forth on Exhibit attached hereto a complete list of Developments that he/she has, alone or jointly with others, conceived, developed or reduced to practice prior to the commencement of his/her employment with the Company that he/she wishes to have excluded from the scope of this Agreement ("Prior Inventions"). Grantee has also listed this Exhibit all patents and patent applications in which he/she is named as an inventor, other than those which have been assigned to the Company ("Other Patent Rights"). If no such disclosure is attached, Grantee represents that there are no Prior Inventions or Other Patent Rights. If, in the course of Grantee's employment with the Company, he/she incorporates a Prior Invention into a Company product, process or machine or other work done for the Company, Grantee hereby grant to the Company a nonexclusive, royalty-free, paid-up, worldwide license (with the full right to sublicense) for the duration of the rights to make, have made, modify, use, reproduce, sell, offer for sale, publicly display and perform, import and otherwise fully exercise and exploit such Prior Invention. Notwithstanding the foregoing, Grantee will not incorporate, or permit to be incorporated, Prior Inventions in any Company-Related Development without the Company's prior written consent. Grantee will not incorporate into any Company product or otherwise deliver to the Company any open source software except as allowed pursuant to the Company's open source software policy, which is available on the Company's intranet.

Section 2(e) is re-titled as "Non-Competition and Non-Solicitation of Customers and Sales Agents."

The following Section 2(e) replaces Section 2(e), Section 2(f), and Section 2(h) of the Confidentiality Provisions:

(i) Grantee acknowledges and agrees that during his/her employment, and for six (6) months as from the date of Grantee's actual departure from the Company, he/she has not and will not, directly or indirectly, engage in, provide, or perform any Employee Services on behalf of any person or entity (or, if organized into divisions or units, any distinct division or operating unit) in the Territory.

(ii) Grantee also acknowledges and agrees that during his/her employment, and for six (6) months after the Date of Termination, Grantee has not and will not directly or indirectly solicit Customers (as defined in

Paragraph 1(c) above) with whom he/she had Material Contact (as defined in 1(g) above) for the purpose of providing goods and/or services competitive with the Company's Business.

(iii) Grantee further acknowledges and agrees that during his/her employment, and for a period of six (6) months after the Date of Termination, Grantee has not and will not, directly or indirectly, whether on behalf of Grantee or others, solicit any of the Company's Sales Agents for the purpose of disrupting their relationship with the Company and/or selling and/or facilitating the sale of products competitive with the Company's Business. For purposes of this Section 2, a "Sales Agent" is any third-party agency, and/or its representatives, with which or whom the Company has contracted for the purpose of facilitating the sale of the Company's products during the last twenty-four (24) months of Grantee's employment with the Company.

(iv) In the event Grantee's employment is terminated, for any reason whatsoever, during this post-employment period of non-competition, under the condition that Grantee complies with this non-competition obligation, Grantee will receive a monthly gross indemnity as determined by the Company pursuant to local law, to be no less than thirty three percent (33%) of his/her average gross monthly salary received over the last 12 months prior to termination of employment, it being understood that this indemnity will be subject to social security contributions.

(v) It is agreed that, in any case, the Company shall be entitled, at the time of termination of the employment agreement, either to reduce the scope or the duration of the period of application of the non-competition and non-solicitation covenant, or to waive the latter, provided however that it informs Grantee thereof by registered letter with return receipt requested no later than within eight (3) days following the notification of the termination of the employment agreement and no later than Grantee's last day of effective work.

(vi) If Grantee breaches the post-employment non-competition obligation, the Company will no longer be required to pay the gross monthly indemnity and Grantee will be required to reimburse the Company for any amount that he/she may have been granted in this respect.

(vii) Given the extreme sensitiveness of the know-how and technical and commercial information to which Grantee has access in the framework of his/her functions and the extremely competitive and sensitive nature of the Company's activities, the parties expressly agree on the necessity of the non-competition and non-solicitation obligation in order to protect the Company's legitimate interests. Moreover, Grantee acknowledges that, in light of his/her training, the provision does not hinder his/her capacity to find new employment.

Section 2(f) of the Confidentiality Provisions is deleted.

Section 2(h) of the Confidentiality Provisions is deleted.

The following provision replaces Section 4 of the Confidentiality Provisions:

Notices. All notices, requests, demands and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given when delivered or seven days after mailing if mailed first class, certified mail, postage prepaid, addressed as follows:

If the Company: To the principal place of business of Company in France.

If to Grantee: To his or her last known address on file with the Company.

The following provision replaces Section 7 of the Confidentiality Provisions:

Amendments and Modifications. The Confidentiality Provisions and any Exhibit hereto may be amended or modified only by a writing signed by Grantee and the Company, which makes specific reference to the Confidentiality Provisions provided however that the covenant of Section 2(e) can be waived unilaterally by the Company under the conditions specified therein. However, this Section does not affect a court of competent jurisdiction or arbitrator's ability to modify the Confidentiality Provisions, as the case may be, in the event that either party initiates legal proceedings that relate in any way to the

Confidentiality Provisions, including any action brought by either party seeking to enforce any provision set forth herein.

The following provision replaces Section 8 of the Confidentiality Provisions:

Governing Law and Venue. The validity and effect of the Confidentiality Provisions shall be governed by and construed and enforced in accordance with the laws of France.

The following provision replaces Section 12 of the Confidentiality Provisions:

Language. The parties acknowledge that they have requested and are satisfied that the Confidentiality Provisions and all related documents be drawn up in the French language, the English version being provided for information purposes only. In the event of a contradiction between the two versions, the French version shall prevail.

GERMANY

The following provision replaces Section 1(b) of the Confidentiality Provisions:

"Trade Secrets" means technical or nontechnical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, product plans, or a list of actual or potential customers or suppliers which is not commonly known by or available to the public and which information: (A) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who obtain economic value from its disclosure or use; and (B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

The following provision replaces Section 1(h) of the Confidentiality Provisions:

"Material Contact" means a contact between an employee and each Customer or potential Customer: with whom or which Grantee dealt on behalf of the Company; whose dealings with the Company were coordinated or supervised by Grantee; about whom Grantee obtained confidential information in the ordinary course of business as a result of such employee's association with the Company; and/or who receives products or services authorized by the Company, the sale or provision of which results or resulted in compensation, commissions, or earnings for Grantee within two years prior to the date of the Date of Termination.

The following provision replaces Section 1(i) of the Confidentiality Provisions:

"Termination for Cause" or **"Terminated for Cause"** means any termination within the meaning of Section 626 German Civil Code (*Bürgerliches Gesetzbuch, BGB*).

Section 1(j) of the Confidentiality Provisions is deleted.

The following provision replaces Section 2(d) of the Confidentiality Provisions:

Inventions. Except for patentable inventions which are subject to and are dealt with in accordance with the German Act on Employee Inventions (*ArbNErfG*), all rights of works (including computer software programs, object codes, source codes and associated documentation) and of all inventions, knowledge and experience of technical and commercial nature which Grantee creates during the term of his/her employment relationship as part of his/her duties is worldwide the sole property of the Company, including the right of reproduction, distribution, sale, the grant of usage rights – also of exclusive nature - to third parties, processing and further development. To the extent legally possible, Grantee transfers and assigns these rights to the Company, alternatively Grantee grants the Company an exclusive, fully paid-up, royalty-free, world-wide license for all types of exploitation and for the entire period of protection of their respective intellectual property rights, in particular copyright. The Company is also entitled to make modifications and additions to the copyrightable works created by Grantee. Grantee waives the right to be named as the author in connection with the work. The transfer of rights is deemed fully compensated by the remuneration received under the employment relationship.

Section 2(e) is re-titled as “Post-Contractual Non-Compete Covenant, Contractual Penalty”

The following provisions replace Sections 2(e) and 2(f) of the Confidentiality Provisions:

(i) Grantee is obliged, for a period of two years after the termination of the employment, not to engage in a business which is in competition with the Company’s Business. Also included are such areas of work, which are relevantly affected by the activities of Grantee under his/her employment contract.

Should the areas of activity change during the term of employment, those activities Grantee was engaged in while performing his/her working duties during the past two years shall be deemed to be included in the non-compete covenant.

(ii) Similarly, Grantee is not permitted, during this period of time, to set up or to participate in any competing enterprise as a majority shareholder or as the holder of a blocking minority within such enterprise.

(iii) Within two years after the termination of the employment relationship, Grantee is obliged not to carry out work for such clients who belonged to the customer/client list of the Company during the past two years before the termination of the employment relationship. The non-compete covenant also applies for the benefit of any businesses connected with the Company with which Grantee dealt either directly or indirectly.

(iv) This non-compete covenant applies for the Territory.

(v) For the duration of the non-compete covenant, the Company is obliged to pay Grantee compensation in the amount of the legal minimum compensation. The compensation is to be paid in monthly instalments at the end of each month.

In case the violation of the non-competition clause consists in a continuing obligation, in particular in the conclusion of an employment, service, agency or consultancy agreement with a company, which is in competition with the Company or in case Grantee maintains a capital interest in such, the contractual penalty shall accrue for each new month of activity or interest ("continuing violation").

(vi) Every time Grantee breaches the obligations described under Sections 2(e)(i) to 2(e)(iv), he/she shall pay a contractual penalty in the amount of one monthly gross salary. The amount of the contractual penalty depends on the monthly gross base salary Grantee last received under the employment contract.

(vi) During the period of breach of the non-competition clause, the Company's obligation to pay compensation according to Section 2(e)(v) shall be suspended.

(vii) The Company's right to further damages shall not be affected.

Section 2(f) of the Confidentiality Provisions is deleted.

Section 2(h) of the Confidentiality Provisions is deleted.

The following provision replaces Section 7 of the Confidentiality Provisions:

Amendments and Modifications. Any changes of or amendments to the Confidentiality Provisions and any Exhibit, including this provision, must be made in writing in order to become legally effective. This shall not apply to individual agreements.

ITALY

For the purpose of the provisions hereafter, the "Company" means the local entity in Italy by whom Grantee is employed.

The following provision replaces Section 1(b) of the Confidentiality Provisions:

"Trade Secrets" means technical or nontechnical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, product plans, or a list of actual or potential customers or suppliers which is not commonly known by or available to the public and which information: (A) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who obtain economic value from its disclosure or use; and (B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

The following provision replaces Section 1(g) of the Confidentiality Provisions:

"**Territory**" means the location in which the non-competition restriction will apply, hereby defined as the region(s) in Italy in which Grantee worked. Grantee acknowledges that the Company is licensed to do business in the Territory. Accordingly, Grantee agrees that these restrictions are reasonable and necessary to protect the Confidential Information, trade secrets, business relationships, and goodwill of the Company.

The duration of the obligations indicated under Section 2(e) through (h) of the Confidentiality Provisions is all meant to be for a period of twelve (12) months, and Grantee acknowledges and agrees that for twelve (12) months after the Date of Termination his/her will be bound to such obligations.

The following provision replaces Section 1(h) of the Confidentiality Provisions:

"Material Contact" means contact between an employee and each Customer or potential Customer: with whom or which Grantee dealt on behalf of the Company; whose dealings with the Company were coordinated or supervised by Grantee; about whom Grantee obtained confidential information in the ordinary course of business as a result of such employee's association with the Company; and/or who receives products or services authorized by the Company, the sale or provision of which results or resulted in compensation, commissions, or earnings for Grantee within two years prior to the date of the Date of Termination.

The following provision is added to Section 1(i) of the Confidentiality Provisions:

"**Termination for Cause**" or "**Terminated for Cause**" means any disciplinary termination issued pursuant to Art. 7, Act no. 300/1970, for a disciplinary reason including but not limited to involuntary termination of Grantee by the Company for the reasons listed under Section 1(I) from letter (i) and (v).

The following provision replaces Section 2(d) of the Confidentiality Provisions:

Inventions Retained and Licensed. Attached hereto, as **Schedule 1**, is a list describing all inventions, original works of authorship, developments, improvements, and trade secrets which were made by the Grantee prior to the Grantee's employment with the Company (collectively referred to as "**Prior Inventions**"), which belong to the Grantee, which relate to the Company's proposed business, products or research and development, and which are not assigned to the Company hereunder; or, if **Schedule 1** is left blank, the Grantee hereby represents that there are no such Prior Inventions. If in the course of the Grantee's employment with the Company, the Grantee incorporates into a Company product, process or machine a Prior Invention owned by the Grantee or in which the Grantee has an interest, the Company is hereby granted and shall have a nonexclusive, royalty-free, irrevocable, perpetual, worldwide license to make, have made, modify, use and sell such Prior Invention as part of or in connection with such product, process or machine.

Assignment of Inventions. Grantee will make full and prompt disclosure to the Company of all inventions, discoveries, designs, designations, developments, software, drawings, logos, sketches, models, articles, studies, reports, methods, modifications, improvements, processes, algorithms, databases, computer programs, formulae, techniques, trade secrets, graphics or images, and audio or visual works and other works of authorship (collectively "Developments"), whether or not patentable or copyrightable, that are created, made, conceived or reduced to practice by Grantee (alone or jointly with others) or under his/her direction in the course of Grantee's employment. Grantee acknowledges and agree that, to the fullest extent permitted by law, (i) all Developments shall automatically belong to, and shall be the sole property of the Company and that (ii) to the extent that any Development do not vest in the Company automatically, Grantee irrevocably hereby assign to the Company by way of present assignment, all right, title, and interest Grantee may have or may acquire in and to all Developments anywhere in the world. In

particular, in accordance with the provisions of articles 12-bis and 12-ter of the Copyright Law no. 633/1941, Grantee acknowledges that the copyrights to any software, database and their documentation and to any industrial design developed by Grantee in the course of his/her employment contract belong as a matter of law to the Company. Furthermore, in accordance with article 64(1) of the Legislative Decree no. 30/2005 (Industrial Property Code), Grantee further acknowledges that the inventions made within the context of his/her employment providing for an "inventive activity" which corresponds to his/her actual duties, or, as part of studies or research which have been specifically entrusted to Grantee, and for which he/her is remunerated, belong to the Company as a right.

In accordance with article 64(2) of the Industrial Property Code, which provides that the employee is entitled to receive an additional remuneration for the invention made during the performance of its employment duties but outside the scope of article 64(1), Grantee agrees that such additional remuneration will be due provided that the Company or its assignees patent the invention or use it under a secrecy regime and will be determined pursuant to applicable law, taking into consideration the value of the invention, the duties and compensation of the employee and the contribution/assistance received by the Company in developing the invention.

Grantee further acknowledges that for all the other inventions created either (i) in the field of the Company's activity, or (ii) by using knowledge or technologies or Company's specific methods or information acquired by the Company, the Company may require that all rights to ownership and use of such inventions and the patents protecting such inventions be assigned to it pursuant to article 64(3) of the Industrial Property Code and upon the payment of a consideration to be agreed between the parties taking into consideration the help and support that the employee received from the Company in developing the invention.

Grantee further undertakes to execute all documents and take all additional actions as may be requested by the Company to give full and proper effect to the present assignment, whether during or after the term of his/her employment.

The following change is made to Sections 2(f), 2(g), and 2(h): The phrase "twenty-four (24) months after the Date of Termination" is replaced with "twelve (12) months after the Date of Termination".

The following provision replaces Section 2(i):

Injunctive Relief. Grantee acknowledges that if he/she breaches or threatens to breach any of the provisions of this Section 2, his/her actions may cause irreparable harm and damage to the Company. Accordingly, if Grantee breaches or threatens to breach any of the provisions of this Section 2, the Company shall be entitled to seek injunctive relief (*provvedimento cautelare*) as well as a Court's order for specific performance, in addition to any other rights or remedies the Company may have.

The following new Sections 2(j) through (m) are added after Section 2(i) of the Confidentiality Provisions:

J. **Consideration**. As consideration for the post termination non-competition and non- solicitation obligations under Section 2 ((e), (f), (g), and (h)) under the condition that Grantee complies with such obligations, Grantee will receive a monthly gross indemnity as determined by the Company pursuant to local law, to be no less than thirty percent (30%) of his/her fixed gross monthly salary received the last full month of employment (excluding any variable or bonus pay), multiplied for the number of months of duration of the obligations under Section 2 ((e), (f), (g), and (h)), it being understood that this indemnity will be subject to social security contributions.

K. **Reduction In Scope Or Withdrawal**. It is agreed that, in any case, the Company shall be entitled, at the time of termination of the employment agreement, either to reduce the scope or the duration of the period of application of the non-competition and non-solicitation covenant, or to waive the latter, provided however that it informs Grantee thereof by registered letter with return receipt requested no later than within three (3) days following the notification of the termination of the employment agreement and no later than Grantee's last day of effective work. In such an event, Grantee will receive from the Company an indemnity equal to one gross fixed monthly salary (as resulting at the date of termination).

L. **Damages.** If Grantee breaches the post-employment non-competition and non-solicitation obligations, the Company will no longer be required to pay the gross monthly indemnity provided under

Section 2(j) and Grantee will be required to reimburse the Company for any amount that he/she may have been granted in this respect as well as may be required to pay any further damages or be requested to cease any activity in breach of these obligations through an injunctive relief per Section 2(i).

M. **Legitimacy.** Given the extreme sensitiveness of the know-how and technical and commercial information to which Grantee has access in the framework of his/her functions and the extremely competitive and sensitive nature of the Company's activities, the parties expressly agree on the necessity of the non-competition and non-solicitation obligation in order to protect the Company's legitimate interests. Moreover, Grantee acknowledges that, in light of his/her training, the provision does not hinder his/her capacity to find new employment.

MEXICO

The following provision replaces Section 1(b) of the Confidentiality Provisions:

"Trade Secrets" has the meaning set forth under Article 84 of the Mexican Industrial Property Law.

The following provision replaces Section 1(d) of the Confidentiality Provisions:

"Company" means Acuity Brands, Inc., along with its Subsidiaries or other Affiliates, including but not limited to Acuity Brands Lighting de Mexico S. de R.L. de C.V., and Castlight de Mexico SA de CV, with the understanding that the sole and exclusive employer of Grantee is the Mexican legal entity by whom he/she is employed.

The following provision replaces Section 1(h) of the Confidentiality Provisions:

"Material Contact" means contact between an employee and each Customer or potential Customer: with whom or which Grantee dealt on behalf of the Company; whose dealings with the Company were coordinated or supervised by Grantee; about whom Grantee obtained confidential information in the ordinary course of business as a result of such employee's association with the Company; and/or who receives products or services authorized by the Company, the sale or provision of which results or resulted in compensation, commissions, or earnings for Grantee within two (2) years prior to the date of the Date of Termination.

Section 1(i) **("Termination for Cause" or "Terminated for Cause"**) of the Confidentiality Provisions is hereby deleted.

The following provision shall be added to Section 2(b), at the end of first paragraph:

"Furthermore, Grantee expressly agrees and acknowledges that all Confidential Information and Trade Secrets, constitutes (i) an industrial secret under the Mexican Industrial Property Law and (ii) an industrial and trade secret under Articles 213 of the Criminal Code of the Federal District of Mexico, 210 and 211 of the Federal Criminal Code."

The following provision shall be added to Section 2(b), at the end of the second paragraph:

"Grantee agrees to keep the Company free and clear from any claim or lawsuit that may be brought up against it by Grantee's former employers or third parties for alleged or actual breach of confidentiality or trade secrets information obligations undertaken by Grantee during the course of his/her employment with former employers or during the course of former relationships with third parties. Likewise, Grantee will be responsible for paying any damages that he/she may cause to the Company due the breach of such confidentiality or trade secrets information obligations assumed with former employers and/or with third parties."

The following provision shall be added to Section 2(d) of the Confidentiality Provisions:

"Grantee acknowledges that any Invention he/she may conceive or reduce to practice during his/her employment with the Company and that relate to the Company's current or future business are and shall be the Company's sole and exclusive property and that Grantee shall not have any patrimonial or other ownership rights in the work developed, expressly agreeing that he/she will not be entitled to the payment

of royalties or any other right derived from such work, as they are already included in Grantee's compensation referred to in his/her employment contract with the Company. In addition, Grantee expressly authorizes the modification, adaptation, transport, translation, representation, exhibition and any use, total or partial, of the developed work, with the sole exception of his/her non-economic or moral rights. Grantee will take all necessary steps to assign any property right to the Company at the Company's expense, but without further compensation to Grantee."

The following provision replaces Section 2(e) of the Confidentiality Provisions:

Non-Competition. Grantee acknowledges and agrees that during his/her employment, and for twelve (12) months after the Date of Termination, he/she has not and will not, directly or indirectly, engage in, provide, or perform any Employee Services on behalf of any person or entity (or, if organized into divisions or units, any distinct division or operating unit) in the Territory that derives revenue from providing goods or services substantially similar to those which comprise the Company's Business.

The following provision replaced Section 2(i) of the Confidentiality Provisions:

Injunctive Relief. Grantee acknowledges that if he/she breaches or threatens to breach any of the provisions of this Section 2, his/her actions may cause irreparable harm and damage to the Company which could not be compensated in damages. Accordingly, if Grantee breaches or threatens to breach any of the provisions of this Section 2, the Company shall be entitled to seek injunctive relief, in addition to any other rights or remedies the Company may have. The existence of any claim or cause of action by Grantee against the Company, whether predicated on the Confidentiality Provisions or otherwise, shall not constitute a defense to the enforcement by the Company of Grantee's agreements under this Section 2.

Grantee accepts that if he/she breaches any of the obligations set out in Sections 2(a), (b), (c), (d) related to the disclosure of Confidential Information, he/she shall be liable under applicable laws, including criminal liability referred to in Article 223(IV), (V), and (VI) of the Industrial Property Law.

The breach of any of the obligations assumed by virtue of Section 2(e), (f), (g), and (h), during the term of the employment relationship between the parties, will be considered disobedience to work, and therefore, a cause for termination of the employment relationship of Grantee, without any liability for the Company, whatsoever. Both parties agree that if Grantee breaches any of the obligations, terms or conditions set out in Section 2 (e), (f), (g), and (h), after the termination of his/her employment relationship with the Company, Grantee:

(a) will have no right to the Payment referred in Section 2(j) of Exhibit D, as modified by these special provisions, and must then repay to the Company the total amount of the payments made in accordance with Section 2(j)(ii) after the termination of the employment relationship between the parties, if such breach occurs or is discovered after any Payments (as defined below) have been made.

(b) In addition, he/she must pay to the Company liquidated damages equivalent to fifty percent (50%) of the gross amount paid to Grantee in consideration for the non-competition clause herein. The payment of liquidated damages shall be in addition to any other legal remedies that might be available to the Company, including moral damages, and nothing in this Section shall operate so as to prevent or limit the Company from seeking any other relief, including equitable or injunctive relief.

The following provisions are added as Section 2(j) to the Confidentiality Provisions:

Consideration for Non-Competition and Non-Solicitation Obligations.

(i) During the effective term of the employment relationship between the Company and Grantee, the latter will not be entitled to any additional remuneration for the obligations assumed herein, but the payment of the monthly gross base salary and benefits, as agreed upon in the individual employment agreement executed between the Company and Grantee, since the obligations assumed herein represent orders given by the Company, as the employer, and are part of the obligations related to the work for which Grantee is hired.

(ii) As fair and equal consideration for the execution of the obligations assumed under Sections 2(e), (f), (g), and (h) of this Exhibit D, upon termination of the labor relationship between the Company and Grantee, the latter hereby accepts that the Company will pay him/her a gross amount equal to fifty percent (50%) of his/her last annual gross base salary as of the termination date of his/her employment relationship with the Company (without considering other labor benefits paid, whether in paid in cash or in kind, such as a Christmas bonus, vacation premium, and without considering any compensation derived from the 2012 Omnibus Stock Incentive Compensation Plan) (hereinafter the "Payment"), subject to the corresponding applicable tax withholdings. Such payment, will be paid by the Company to Grantee proportionally in monthly installments, according to the dates established by the Company.

(iii) This Payment shall be considered as full consideration in exchange for the strict compliance with the future obligations that Grantee assumes upon termination of his/her employment relationship with the Company, pursuant to the terms of these Confidentiality Provisions. Both parties agree that the Company shall determine whether Grantee has fully complied with the Confidentiality Provision at its sole reasonable discretion. Grantee expressly acknowledges that the Payment of the consideration after the term of the employment relationship, referred in this Section, is independent from the employment relationship he/she has with the Company, and that the payments made after the term of the employment relationship between the Company and Grantee will not imply in any manner whatsoever, the continuation of such employment relationship or the beginning of a new labor relationship between the Company and Grantee.

The following provision replaces Section 7 of the Confidentiality Provisions:

Amendments and Modifications. The Confidentiality Provisions and any Exhibit hereto may be amended or modified only by a writing signed by both parties hereto, which makes specific reference to the Confidentiality Provisions. However, this Section does not affect a court of competent jurisdiction or arbitrator`s ability to modify the Confidentiality Provisions as applicable under local law in the event that either party initiates legal proceedings that relate in any way to this Confidentiality Provisions, including any action brought by either party seeking to enforce any provision set forth herein.

Both parties expressly acknowledge and agree that the Company reserves the right, at its sole discretion, to reduce or waive the enforcement of the restricted period, as referred to in Section 2 above, and the Company may relieve at any time Grantee from his/her obligations under this Agreement. If the Company, at its sole discretion, decides to waive or reduce the restricted period of the obligations assumed in Section 2(e), (f), (g), and (h), for any reason, it will inform Grantee in writing, with the understanding that the Company will not be responsible to pay or make further payments of any compensation, as set forth in Section 2(j)(ii), for the entire restricted period or the remaining restricted period, as applicable, at the time the Company waives enforcement. If the Company waives the entire enforcement of the restrictive period established after the term of the labor relationship, no compensation will be paid to Grantee under this Agreement, and Grantee acknowledges that the Company will not be liable as a consequence of such non-payment."

The following provision replaces Section 8 of the Confidentiality Provisions:

Governing Law and Venue. The validity and effect of the Confidentiality Provisions shall be governed by and construed and enforced in accordance with the laws of United Mexican States, without regard to conflicts of law. Any and all disputes relating to, concerning or arising from the Confidentiality Provisions, or relating to, concerning or arising from the relationship between the parties evidenced by the Confidentiality Provisions, shall be brought and heard exclusively in competent courts of Mexico City, expressly waiving any other jurisdiction that may correspond to them by reason of their present or future domiciles or for any other cause.

NETHERLANDS

The following provision replaces Section 1(b) of the Confidentiality Provisions:

"Trade Secrets" has the meaning set forth under applicable local law.

The following provision replaces Section 1(h) of the Confidentiality Provisions:

"Material Contact" shall include contacts between an employee and each Customer or potential Customer: with whom or which Grantee dealt on behalf of the Company; whose dealings with the Company were coordinated or supervised by Grantee; about whom Grantee obtained confidential information in the ordinary course of business as a result of such employee's association with the Company; and/or who receives products or services authorized by the Company, the sale or provision of which results or resulted in compensation, commissions, or earnings for Grantee within two years prior to the date of the Date of Termination.

The following provision replaces Section 1(i) of the Confidentiality Provisions:

"Termination for Cause" or "Terminated for Cause" shall entail any reasonable grounds the Company may have within the meaning of article 7:669 paragraph 3 subsection (d), (e), (g), and (i) of the Dutch Civil Code and article 7:678 of the Dutch Civil Code. Examples of this involuntary termination of Grantee by the Company are the following reasons:

i. If termination shall have been the result of an act or acts by Grantee which constitute an indictable offense, a felony or any crime involving dishonesty, theft, fraud or moral turpitude;

ii. If termination shall have been the result of an act or acts by Grantee which are determined, in the good faith judgment of the Company, to be in violation of written policies of the Company;

iii. If termination shall have been the result of an act or acts of dishonesty by Grantee resulting or intended to result directly or indirectly in gain or personal enrichment to Grantee at the expense of the Company;

iv. Upon the willful and continued failure by Grantee to substantially perform the duties assigned to Grantee (other than any such failure resulting from incapacity due to mental or physical illness constituting a Disability), after a demand in writing for substantial performance of such duties is delivered by the Company, which demand specifically identifies the manner in which the Company believes that Grantee has not substantially performed his or her duties; or

v. If termination shall have been the result of the unauthorized disclosure by Grantee of the Company's Confidential Information or violation of any other provision of the Confidentiality Provisions.

The following changes in made in Section 2(e) of the Confidentiality Provisions:

References to "Confidential Severance Agreement and Release" will be replaced by "settlement agreement".

The following provision replaces Section 2(i) of the Confidentiality Provisions:

Injunctive Relief. Grantee acknowledges that if he/she breaches or threatens to breach any of the provisions of this Section 2, his/her actions may cause irreparable harm and damage to the Company which could not be compensated in damages. Accordingly, if Grantee breaches or threatens to breach any of the provisions of this Section 2, the Company shall be entitled to seek injunctive relief, instead of any other rights or remedies the Company may have.

The following provision replaces Section 5 of the Confidentiality Provisions:

Provisions Severable. If any provision or covenant, or any part thereof, contained in the Confidentiality Provisions is held by any court to be invalid, illegal, or unenforceable, either in whole or in part, such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of the remaining provisions or covenants, or any part thereof, in the Confidentiality Provisions, all of which shall remain in full force and effect. Each and every provision, paragraph and subparagraph of Section 2 above is severable from the other provisions, paragraphs and subparagraphs and constitutes a separate and distinct covenant.

The restrictive covenants set forth in Section 2 of the Confidentiality Provisions represent the entire agreement of the parties with respect to the subject matter thereof and supersede any prior agreement with

respect thereto; provided, however, that the restrictive covenants described in this Exhibit D shall not supersede those set forth in either: (a) any Executive Severance Agreement applicable to Grantee, if any, (b) any Confidentiality, Inventions and Non-Solicitation Agreement to which Grantee is a party, if any, or (c) any restrictive covenants to which Grantee is a party under any employment agreement or offer letter, if any.

The following provision replaces Section 7 of the Confidentiality Provisions:

Amendments and Modifications. The Confidentiality Provisions and any Exhibit hereto may be amended or modified only by a writing signed by both parties hereto, which makes specific reference to the Confidentiality Provisions. However, this Section does not affect a court of competent jurisdiction or arbitrator`s ability to modify the Confidentiality Provisions, in the event that either party initiates legal proceedings that relate in any way to this Confidentiality Provisions, including any action brought by either party seeking to enforce any provision set forth herein.

The following provision replaces Section 8 of the Confidentiality Provisions:

Governing Law and Venue. The validity and effect of the Confidentiality Provisions shall be governed by and construed and enforced in accordance with applicable local law.

UNITED KINGDOM

The following provision replaces Section 1(b) of the Confidentiality Provisions:

"Trade Secrets" means information which meets all of the following requirements:

(a) it is secret in the sense that it is not, as a body or in the precise configuration and assembly of its components, generally known among or readily accessible to persons within the circles that normally deal with the kind of information in question;

(b) it has commercial value because it is secret; and

(c) it has been subject to reasonable steps under the circumstances, by the person lawfully in control of the information, to keep it secret.

The following provision replaces Section 1(c) of the Confidentiality Provisions:

"Customers" means those entities and/or individuals which, within the twelve month period preceding the Date of Termination (as that term is defined in Restricted Stock Unit Agreement): (i) Grantee had material contact on behalf of the Company; (ii) about whom Grantee acquired, directly or indirectly, Confidential Information or Trade Secrets as a result of his/her employment with the Company; and/or (iii) Grantee exercised oversight or responsibility of subordinates who engaged in Material Contact on behalf of the Company. Additionally, "Customers" references only those entities and/or individuals with whom the Company currently has a business relationship, or with whom it expended resources to have or resume the same during the twelve-month period referenced herein.

The following provision replaces Section 1(h) of the Confidentiality Provisions:

"Material Contact" means material contact between an employee and each Customer or potential Customer: with whom or which Grantee dealt on behalf of the Company; whose dealings with the Company were coordinated or supervised by Grantee; about whom Grantee obtained confidential information in the ordinary course of business as a result of such employee's association with the Company; and/or who receives products or services authorized by the Company, the sale or provision of which results or resulted in compensation, commissions, or earnings for Grantee within two years prior to the date of the Date of Termination.

Section 1(i) ("Termination for Cause" or "Terminated for Cause") of the Confidentiality Provisions is hereby deleted.

The following provision replaces Section 1(j) of the Confidentiality Provisions:

"Inventions" and "Intellectual Property" The term "Invention" means contributions, discoveries, improvements, ideas, designs, designations, developments, methods, modifications, improvements, processes, algorithms, databases, computer programs, formulae, techniques, trade secrets, graphics or images, and audio or visual works, written text, software, code, and other works of authorship, whether or not patentable or copyrightable, whether or not recorded in any medium and: (i) which relate directly to the business of the Company, or (ii) which result from any work performed by Grantee or by Grantee's fellow employees for the Company, or (iii) for which equipment, supplies, facilities, Confidential Information or Trade Secrets of the Company are used, or (iv) which is developed on the Company's time. The term "Intellectual Property" means all patents, rights in inventions, supplementary protection certificates, utility models, rights in designs, trademarks, service marks, trade and business names, logos, get up and trade dress and all associated goodwill, rights to sue for passing off and/or for unfair competition, copyright, moral rights and related rights, rights in computer software, rights in databases, topography rights, domain names, rights in information (including know-how and trade secrets) and the right to use, and protect the confidentiality of, confidential information, image rights, rights of personality, and all other similar or equivalent rights subsisting now or in the future in any part of the world, in each case whether registered or unregistered and including all applications for, and renewals or extensions of, and rights to claim priority from, such rights for their full term and the right to sue for damages for past and current infringement in respect of any of the same.

The following provision replaces Section 2(d) of the Confidentiality Provisions:

Inventions. Grantee does hereby assign and transfer to the Company and its successors and assigns the entire right, title and interest in any Invention which is or was made or conceived, either solely or jointly with others, during his/her employment with the Company, including after the Date of Termination. To the extent that any Intellectual Property which is or was created or conceived, either solely or jointly with others, during his/her employment with the Company does not vest in the Company automatically and/or pending any assignment of such Intellectual Property, Grantee shall hold such Intellectual Property on trust for the Company. Grantee hereby irrevocably and unconditionally waives all claims to any moral rights or other special rights which it may have or accrue in any Inventions or Intellectual Property. Grantee attests that he/she has disclosed (or promptly will disclose, if after the Date of Termination) to the Company all Inventions. Grantee will, if requested, promptly execute and deliver to the Company a specific assignment of title for any such Invention or Intellectual Property right and will at the expense of the Company, take all reasonably required action by the Company to patent, copyright or otherwise protect the Invention."

The following provision replaces Section 2(e) of the Confidentiality Provisions:

Non-Competition. Grantee acknowledges and agrees that during his/her employment, and for twelve (12) months after the Date of Termination, he/she has not and will not, directly or indirectly, in competition with the Company, engage in, provide, or perform any Employee Services on behalf of any person or entity (or, if organized into divisions or units, any distinct division or operating unit) in the Territory that derives revenue from providing goods or services substantially similar to those which comprise the Company's Business.

The following provision replaces Section 2(f) of the Confidentiality Provisions:

Non-Solicitation of Customers. Grantee acknowledges and agrees that during his/her employment, and for twelve (12) months after the Date of Termination, Grantee has not and will not directly or indirectly solicit Customers (as defined in Section 1(c) above) with whom he/she had Material Contact (as defined above) for the purpose of providing goods and/or services competitive with the Company's Business with which Grantee was materially concerned in the period of twelve (12) months prior to the Date of Termination.

The following provision replaces Section 2(g) of the Confidentiality Provisions:

Non-Solicitation of Employees and Agents. Grantee acknowledges and agrees that during his/her employment, and for a period of twelve (12) months after the Date of Termination, Grantee has not and will not, directly or indirectly, whether on behalf of Grantee or others, solicit, lure or attempt to hire away any of the Company's employees or agents with whom Grantee has material contact or managed in a direct line management capacity in the period of twelve (12) months prior to the Date of Termination or

who had Material Contact with Customers in performing his/her duties of employment with the Company.

The following provision replaces Section 2(h) of the Confidentiality Provisions:

Non-Solicitation of Sales Agents. Grantee acknowledges and agrees that during his/her employment, and for a period of twelve (12) months after the Date of Termination, Grantee has not and will not, directly or indirectly, whether on behalf of Grantee or others, solicit any of the Company's Sales Agents for the purpose of disrupting their relationship with the Company and/or selling and/or facilitating the sale of products competitive with the Company's Business with which Grantee was materially concerned in the period of twelve (12) months prior to the Date of Termination. For purposes of this Section 2, a "Sales Agent" is any third-party agency, and/or its representatives, with which or whom the Company has contracted for the purpose of facilitating the sale of the Company's products during the last twelve (12) months of Grantee's employment with the Company and with whom Grantee had material contact or responsibility in his capacity as an employee of the Company during that period.

The following provision replaces Section 7 of the Confidentiality Provisions:

Amendments and Modifications. The Confidentiality Provisions and any Exhibit hereto may be amended or modified only by a writing signed by both parties hereto, which makes specific reference to the Confidentiality Provisions. However, this Section does not affect a court of competent jurisdiction or arbitrator`s ability to modify the Confidentiality Provisions in the event that either party initiates legal proceedings that relate in any way to this Confidentiality Provisions, including any action brought by either party seeking to enforce any provision set forth herein.

The following provision replaces Section 8 of the Confidentiality Provisions:

Governing Law and Venue. The validity and effect of the Confidentiality Provisions shall be governed by and construed and enforced in accordance with the laws of England and Wales. Any and all disputes relating to, concerning or arising from the Confidentiality Provisions, or relating to, concerning or arising from the relationship between the parties evidenced by the Confidentiality Provisions, shall be brought and heard exclusively in the Courts of England and Wales. Each of the parties hereby represents and agrees that such party is subject to the personal jurisdiction of said courts; hereby irrevocably consents to the jurisdiction of such courts in any legal or equitable proceedings related to, concerning or arising from such dispute, and waives, to the fullest extent permitted by law, any objection which such party may now or hereafter have that the laying of the venue of any legal or equitable proceedings related to, concerning or arising from such dispute which is brought in such courts is improper or that such proceedings have been brought in an inconvenient forum.

The following provisions are deleted in their entirety: Sections 10 **("Tender Back Provision"**) and Section 11 **("Tolling Period"**).

A following new Section 13 is inserted as follows:

Subsidiaries. The provisions of Sections 2(e) through Section 2(h) shall only apply in respect of those subsidiaries to whom Grantee provided his services, for whom he was responsible or with whom he was otherwise materially concerned in the period of twelve (12) months prior to the Date of Termination. The obligations under those provisions shall, with respect to each subsidiary, constitute a distinct and separate covenant and the invalidity or unenforceability of any such covenant shall not affect the validity or enforceability of the covenants in favor of any other Company. In relation to each subsidiary referred to in this Section 13, the Company contracts as trustee and agent for the benefit of each such subsidiary.

SPECIAL TERMS AND CONDITIONS EXHIBIT TO THE CONFIDENTIALITY, INVENTIONS, NON-SOLICITATION AND NON-COMPETITION PROVISIONS FOR GRANTEES IN THE U.S.

This Appendix includes additional state-specific terms and conditions that apply to Grantees in states listed below with respect to the Confidentiality, Inventions, Non-Solicitation and Non-Competition Provisions (the "Confidentiality Provisions"). This Appendix is part of the Confidentiality Provisions and contains terms and conditions material to Grantee's rights and obligations under the Confidentiality Provisions. Unless otherwise provided below, capitalized terms used but not defined herein shall have the same meanings assigned to them in the Plan and the Confidentiality Provisions.

FOR ALL GRANTEES IN THE US

With respect to Grantees who are not supervisors for the purposes of the National Labor Relations Act, nothing contained in the Confidentiality Provisions, in any way, restricts or impedes Grantee from exercising Grantee's rights under Section 7 of the National Labor Relations Act (such protected rights include assisting coworkers or former coworkers with workplace issues concerning their employer, communicating with others including a union and the NLRB, about their employment, or discussing the terms and conditions of employment, including, but not limited to, wages or salary, benefits, severance, the terms of this Agreement, job responsibilities and vacation, with coworkers or union representatives).

Nothing in this Agreement limits any Grantee from testifying truthfully in any legal proceeding, including, but not limited to responding to any inquiries made by the EEOC or any government agency; from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Grantee has reason to believe is unlawful; or from disclosing factual information related to an administrative claim or civil action concerning sexual assault, sexual harassment, workplace harassment or discrimination, failure to prevent an act of workplace harassment or discrimination, or an act of retaliation against a person for reporting or opposing harassment or discrimination. Grantee may respond accurately and fully to any question or request for information when required to do so by law.

Further, nothing in this Agreement limits any Grantee's rights to: (i) file a charge (including a challenge to the validity of this Agreement) with, communicate with, or participate in an investigation or proceeding conducted by the U.S. Equal Employment Opportunity Commission ("EEOC"), the National Labor Relations Board ("NLRB"), or any other similar federal, state, or local government office, official, or agency; (ii) testify in an administrative, legislative, or judicial proceeding concerning alleged criminal conduct or alleged sexual harassment on the part of any other party, or on the part of the agents or employees of another party, when the person testifying has been required or requested to attend the proceeding pursuant to a court order, subpoena, or written request from an administrative agency or legislature; or (iii) provide information to the U.S. Securities and Exchange Commission, EEOC, or any other regulatory or enforcement agency or collect rewards under a whistleblower program.

Further, to the extent that any Grantee does not meet the compensation threshold required for a post-termination covenant to be enforceable under applicable state law, either at the time the Agreement is entered into *or* at the time of enforcement, then, to the extent required by applicable state law, Section 2(E)(Non-Competition), Section 2(F)(Non-Solicitation of Customers), Section 2(G) Non-Solicitation of Employees and Agents, or Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions shall not apply to any such Grantee.

Grantee is advised to consult with an attorney of Grantee's own choosing and at Grantee's own cost before signing this Agreement.

CALIFORNIA

Section 2(E)(Non-Competition) and Section 2(F)(Non-Solicitation of Customers) of the Confidentiality Provisions are deleted. However, any conduct relating to the solicitation of Company's customers or employees that involves the misappropriation of the Company's trade secret information, such as its protected customer information, will remain prohibited conduct at all times.

The following provision replaces Section 2(G) of the Confidentiality Provisions:

Non-Solicitation of Employees and Agents. Grantee acknowledges and agrees that during his/her employment, and for a period of twelve (12) months after the Date of Termination, Grantee has not and will not, directly or

indirectly, whether on behalf of Grantee or others, solicit, lure or attempt to hire away any of the Company's employees or agents with whom Grantee has material contact or managed in a direct line management capacity in the period of twelve (12) months prior to the Date of Termination or who had Material Contact with Customers in performing his/her duties of employment with the Company.

The following provision replaces Section 2(H) of the Confidentiality Provisions:

H. Non-Solicitation of Sales Agents.

Grantee acknowledges and agrees that during his/her employment, and for a period of twelve (12) months after the Date of Termination, Grantee has not and will not, whether on behalf of Grantee or others, solicit any of the Company's Sales Agents for the purpose of disrupting their relationship with the Company and/or selling and/or facilitating the sale of products competitive with the Company's Business. For purposes of this Section 2, a "Sales Agent" is any third-party agency, and/or its representatives, with which or whom the Company has contracted for the purpose of facilitating the sale of the Company's products during the last twelve (12) months of Grantee's employment with the Company.

COLORADO

If Grantee: (i) is not an officer, executive or management employee, or an employee who constitutes professional staff to executive and management personnel or (ii) does not meet the "highly compensated worker"[1] threshold either at the time the Agreement is entered into *or* at the time of enforcement, then: Section 2(E)(Non-Competition) shall not apply.

If Grantee: (i) is not an officer, executive or management employee, or an employee who constitutes professional staff to executive and management personnel or (ii) does not meet 60% of the "highly compensated worker" ("Non-Solicitation Compensation Threshold") threshold either at the time the Agreement is entered into *or* at the time of enforcement, then: Section 2(F)(Non-Solicitation of Customers), Section 2(G) Non-Solicitation of Employees and Agents, and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions shall not apply. If Grantee: (i) is an officer, executive or management employee, or an employee who constitutes professional staff to executive and management personnel and (ii) meets the Non-Solicitation Compensation Threshold, both at the time the Agreement is entered into *and* at the time of enforcement then:

The following provision replaces Section 2(F) of the Confidentiality Provisions:

> **Non-Solicitation of Customers.** Grantee acknowledges and agrees that during his/her employment, and for twelve (12) months after the Date of Termination, Grantee has not and will not directly or indirectly solicit Customers (as defined in Section 1(c) above) with whom he/she had Material Contact (as defined above) for the purpose of providing goods and/or services competitive with the Company's Business with which Grantee was materially concerned in the period of twelve (12) months prior to the Date of Termination.

The following provision replaces Section 2(G) of the Confidentiality Provisions:

> **Non-Solicitation of Employees and Agents.** Grantee acknowledges and agrees that during his/her employment, and for a period of twelve (12) months after the Date of Termination, Grantee has not and will not, directly or indirectly, whether on behalf of Grantee or others, solicit, lure or attempt to hire away any of the Company's employees or agents with whom Grantee has material contact or managed in a direct line management capacity in the period of twelve (12) months prior to the Date of Termination or who had Material Contact with Customers in performing his/her duties of employment with the Company.

Grantee stipulates that the obligations in Section 2(E)(Non-Competition), Section 2(F)(Non-Solicitation of Customers), Section 2(G) Non-Solicitation of Employees and Agents, and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions are reasonable and necessary for the protection of trade secrets within the meaning § 8-2-113(2)(b) (the "Colorado Noncompete Act") and that the Company has provided the Grantee separate notice of this Agreement at least 14 days before the effective date of this Agreement.

[1] The highly compensated threshold for 2023 is $112,500 for non-competes and 60% of the salary requirement for a highly compensated employee (currently $67,500) for non-solicits.

Nothing in the Agreement prohibits disclosure of information that arises from the Grantee's general training, knowledge, skill, or experience, whether gained on the job or otherwise, information that is readily ascertainable to the public, or information that employee otherwise has a right to disclose as legally protected conduct.

LOUISIANA

The following provision replaces Section 1(G) of the Confidentiality Provisions:

> **"Territory"** means the parishes (and equivalents) in the following list so long as the Company continues to carry on business therein: Acadia, Allen, Ascension, Assumption, Avoyelles, Beauregard, Bienville, Bossier, Caddo, Calcasieu, Caldwell, Cameron, Catahoula, Claiborne, Concordia, Desoto, East Baton Rouge, East Carroll, East Feliciana, Evangeline, Franklin, Grant, Iberia, Iberville, Jackson, Jefferson Davis, Jefferson, Lafayette, Lafourche, LaSalle, Lincoln, Livingston, Madison, Morehouse, Natchitoches, Orleans, Ouachita, Plaquemines, Pointe Coupee, Rapides, Red River, Richland, Sabine, St. Bernard, St. Charles, St. Helena, St. James, St. John the Baptist, St. Landry, St. Martin, St. Mary, St. Tammany, Tangipahoa, Tensas, Terrebonne, Union, Vermillion, Vernon, Washington, Webster, West Baton Rouge, West Carroll, West Feliciana, Winn; and, if Louisiana law requires counties (or their equivalents) in my Restricted Territory located outside of Louisiana to also be specified by name, Grantee acknowledges that the names at issue are the remaining counties in the United States listed by the U. S. Census Bureau found at https://en.wikipedia.org/wiki/List_of_counties_by_U.S._state_and_territory#Louisiana (that list is incorporated here by reference).
>
> Accordingly, Grantee agrees that the foregoing provides Grantee with adequate notice of the geographic scope of the restrictions contained in the Agreement by name of specific parishes (and equivalents), municipalities, and/or their parts.

MASSACHUSETTS

Grantee acknowledges and agrees that: (a) Section 2(E)(Non-Competition) will not apply if Grantee's employment is terminated without Cause (as defined above) or if Grantee is terminated as part of a reduction in force; (b) Grantee received a copy of this Agreement prior to receiving a formal offer of employment from the Company or at least ten (10) business days before commencement of his or her employment, whichever came first; and if Grantee was already employed by the Company at the time of signing this Agreement, Grantee confirms that he or she was provided a copy of this Agreement at least ten (10) business days before it takes effect, (c) Grantee has been advised that he or she has a right to consult with an attorney about this Agreement and have been given an opportunity to do so; and (d) if Grantee breaches Section 2(E)(Non-Competition) of this Agreement, and also breaches his or her fiduciary duty to the Company and/or has unlawfully taken, physically or electronically, any Company Records, then the applicable time period in Section 2(E) shall be extended to a period of twelve (12) additional months, i.e., for a total of twenty-four (24) months from the cessation of employment. Grantee also acknowledges and agrees that Grantee has received Performance Units, which Grantee agrees to be fair and reasonable consideration in exchange for the post-employment non-competition covenant.

Grantee further acknowledges and agrees that all civil actions relating to Section 2(E)(Non-Competition), Section 2(F)(Non-Solicitation of Customers), Section 2(G) Non-Solicitation of Employees and Agents, and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions shall be brought in Suffolk County, Massachusetts. Grantee further agree that the parties consent to the use of electronic signatures to sign and acknowledge acceptance of the terms of this Agreement, including the provision above. Acuity Brands, Inc., hereby enters its electronic signature as */s/* ***ACUITY BRANDS, INC.***

MONTANA & NORTH DAKOTA

Section 2(E)(Non-Competition), Section 2(F)(Non-Solicitation of Customers), and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions are deleted.

OKLAHOMA

Section 2(E)(Non-Competition) and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions are deleted.

The following provision replaces Section 2(F) (Non-Solicitation of Customers) of the Confidentiality Provisions:

- F. Non-Solicitation of Customers — "Grantee agrees that that during his/her employment, and for twenty-four (24) months after the Date of Termination, the Grantee shall not, on the Grantee's own behalf or on behalf of any other person or entity (other than the Company), directly solicit the sale of goods, services, or a combination of goods and services from the established customers of the Company."

OREGON

If Grantee is being initially hired by the Company, Grantee confirms that he or she has received a written employment offer at least two (2) weeks before the first day of employment in which Grantee was informed that a noncompetition agreement is required as a condition of employment; and if Grantee was already employed by the Company at the time of signing this Agreement, Grantee confirms that he or she was aware in exchange for a bona fide advancement that execution of an agreement with non-compete and non-solicit restrictions was a requirement of employment when accepted the Company's offer. For purposes of the foregoing test only, "bona fide advancement" means a genuine promotion in rank after initial employment.

Furthermore, Section 2(E)(Non-Competition) shall only apply to Grantee if both of the following conditions apply: (1) Grantee engages in administrative, executive, or professional work as described in ORS 653.020(3); and (2) Grantee's total annual compensation including commissions, if any, at termination exceeds $108,575.64 in 2023, adjusted annually for inflation.[2] For purposes of the foregoing test only, "administrative, executive, or professional work" means that Grantee: (1) performs predominantly intellectual, managerial or creative tasks; (2) exercises discretion and independent judgment; and (3) earns a salary paid on a salary basis.

Grantee may contact his or her local human resources representative with any questions regarding his or her rate of earnings.

WASHINGTON

(a) Section 2(E)(Non-Competition) and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions will not be enforceable against Grantee unless he /she earns from Company at least $116,593.18 in Box 1 W-2 annual compensation, as adjusted annually for inflation by the Washington State Department of Labor & Industries ("Earnings Threshold"). Grantee further agrees that if, at the time Grantee signs the Agreement, his or her earnings do not meet the Earnings Threshold, Section 2(E)(Non-Competition), and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions, will automatically become enforceable against Grantee if and when his or her salary meets the Earnings Threshold.

(b) the Company further agrees that if Grantee's employment with the Company is terminated as the result of a layoff, the Company will not enforce Section 2(E)(Non-Competition) and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions against the Grantee unless, during the period of enforcement, the Company pays the Grantee compensation equivalent to Grantee's final base pay at the time of the termination of his or her employment, minus the amount of any compensation Grantee earns through employment after the end of his or her employment with the Company, which Grantee agrees to promptly and fully disclose. For purposes of this section, "layoff" means termination of Grantee's employment by the Company for reasons of the Company's insolvency or other purely economic factors, and specifically excludes termination of Grantee's employment for any other reason, either with or without cause.

(c) The following provision replaces Section 2(F) of the Confidentiality Provisions:

> **Non-Solicitation of Customers.** Grantee acknowledges and agrees that during his/her employment, and for eighteen (18) months after the Date of Termination, Grantee has not and will not directly or indirectly solicit Customers (as defined in Section 1(c) above) to cease or reduce the extent to which it is doing business with the Company.

(d) The following provision replaces Section(G) of the Confidentiality Provisions:

> **Non-Solicitation of Employees and Agents.** Grantee acknowledges and agrees that during his/her employment, and for a period of eighteen (18) months after the Date of Termination, Grantee has not and will not, directly or indirectly, whether on behalf of Grantee or others, solicit, lure or attempt to solicit or lure any of the Company's employees or agents to leave the Company.

[2] This is $108,575.64 for 2023.

(e) Grantee acknowledges and agrees if he or she is a newly hired employee, Grantee was given advance notice of Section 2(E)(Non-Competition) and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions in writing prior to accepting the Company's offer of employment. If this Agreement is entered into after the commencement of Grantee's employment with the Company, Grantee confirms that he / she has received Performance Units, which Grantee agrees to be independent consideration that involves new promises or obligations previously not required of the parties.

WASHINGTON D.C.

No employer operating in the District of Columbia may request or require any employee working in the District of Columbia to agree to a non-compete policy or agreement, in accordance with the Ban on Non-Compete Agreements Amendment Act of 2020. As such, for Grantees who primarily reside and work for the Company in Washington D.C., then Section 2(E)(Non-Competition), Section 2(F)(Non-Solicitation of Customers), and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions are deleted and do not apply.

/$CurrentDate$/

ACUITY BRANDS, INC.
Amended and Restated 2012 Omnibus Stock Incentive Compensation Plan

Global Restricted Stock Unit Notification and Award Agreement

Grantee:	/$ParticipantName$/
Grant Type:	/$GrantType$/
Grant ID:	/$GrantID$/
Grant Date:	/$GrantDate$/
Award Amount:	/$AwardsGranted$/
Vest Schedule:	/$VestingDescription$/
Grantee Level:	/$UserCode2$/ for Stock Ownership Guidelines (Exhibit A)
Accept by Date:	/$AcceptByDate$/

WHEREAS, Acuity Brands, Inc. (the "Company") maintains the Amended and Restated Acuity Brands, Inc. 2012 Omnibus Stock Incentive Compensation Plan (the "Plan") under which the Compensation Committee of the Company's Board of Directors (the "Committee") has authority to grant Restricted Stock Units (the "RSUs"); and

WHEREAS, the Committee has determined that it is in the best interest of the Company and its stockholders to grant this RSU to the Grantee identified above, subject to the terms and conditions set forth in the Plan and this Global Restricted Stock Unit Notification and Award Agreement, together with its exhibits (the "Agreement").

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

1. Incorporation of the Plan. The provisions of the Plan are hereby incorporated by reference. Except as otherwise expressly set forth herein, this Agreement shall be construed in accordance with the provisions of the Plan and any capitalized terms not otherwise defined in this Agreement shall have the definitions set forth in the Plan. In the event of any conflict between the terms of the Plan and the terms of this Agreement, the terms of the Plan shall prevail. The Committee has final authority to interpret and construe the Plan and this Agreement and to make any and all determinations under them, and its decision shall be binding and conclusive upon Grantee and Grantee's legal representative with respect to any questions arising under the Plan or this Agreement.

2. Grant of Restricted Stock Unit Award. The Committee, on behalf of the Company, hereby grants to Grantee, effective as of the Grant Date, RSUs equal to the Award Amount set forth above, on the terms and conditions set forth in this Agreement, including the specific vesting requirements set forth above under the Vest Schedule, and as otherwise provided in the Plan.

3. Acceptance of Restricted Stock Unit Award. This award of RSUs is conditioned upon Grantee's acceptance of the terms of this Agreement, as evidenced by Grantee's execution of this Agreement or by Grantee's electronic acceptance of this Agreement in a manner and during the time period allowed by the Company. If the terms of this Agreement are not timely accepted by execution or by such electronic means, the award of RSUs may be cancelled.

4. Vesting of Restricted Stock Unit Award.

a) In General. Provided that Grantee provides continuous service to the Company, a Subsidiary or Affiliate as an Employee, Consultant, or member of the Board, subject to the other terms of this Agreement, the RSUs shall vest pursuant to the Vest Schedule set forth above.

b) Vesting Acceleration Upon Termination due to Death or Disability. Notwithstanding Section 4(a) above, if prior to the date on which the RSUs (or a portion thereof) vest and the restrictions with respect to the

RSUs lapse (the "Vesting Date"), (i) Grantee dies while actively employed by or providing services to the Company or a Subsidiary or an Affiliate, or (ii) Grantee's employment or service terminates by reason of Grantee's Disability, any unvested RSUs shall become fully vested and non-forfeitable as of the date of Grantee's death or Disability.

c) Termination of Service for Any Other Reason. Except for death or Termination due to Disability, as provided in Section 4(b) above, or except as otherwise provided in a duly approved severance agreement with Grantee, if Grantee terminates his or her employment or service, or if the Company or, if different, the Subsidiary or an Affiliate employing or otherwise engaging Grantee (the "Service Recipient") terminates Grantee's employment or service prior to the Vesting Date (even in the case of unfair dismissal and whether or not later to be found invalid or in breach of applicable laws in the jurisdiction where Grantee is employed or providing service or the terms of Grantee's employment or service agreement, if any) Grantee expressly acknowledges that the RSUs shall cease to vest further, the unvested RSUs shall be immediately forfeited, and Grantee shall be entitled only to the Shares issued as a result of RSUs that had vested prior to the Date of Termination. "Date of Termination" means the last day of Grantee's active employment or service with the Service Recipient. For greater certainty, Grantee's Date of Termination shall be deemed to be the date on which the notice of termination of employment or service provided is stated to be effective (and in the case of alleged constructive dismissal, the date on which the alleged constructive dismissal is alleged to have occurred), and not during or as of the end of any notice or other period following such date during which Grantee is in receipt of, or eligible to receive, statutory, contractual or common law notice of termination or any compensation in lieu of such notice or severance pay. The Company shall have the exclusive discretion to determine when Grantee is no longer actively employed or providing services for purposes of the RSU grant (including whether Grantee may still be considered to be providing services while on a leave of absence). Further, for greater certainty, a change in the capacity in which Grantee renders service to the Company or a Subsidiary or Affiliate as an Employee, Consultant or member of the Board will not be deemed a Termination for purposes of the RSU grant, provided that there is no interruption of Grantee's service.

d) Vesting Acceleration Upon a Change in Control. Notwithstanding the other provisions of this Agreement, in the event of a Change in Control prior to the Vesting Date, all RSUs shall become fully vested and non-forfeitable as of the date of the Change in Control.

5. Dividend Equivalents. During the period that Grantee holds RSUs granted pursuant to this Agreement, on each date that the Company pays a cash dividend to holders of its Common Stock, the Company shall credit to a non-interest bearing account on its books for Grantee an amount equal to the United States ("U.S.") Dollar amount paid per share of Common Stock for each unvested RSU held by Grantee under this Agreement (the "Dividend Equivalents"). The Dividend Equivalents credited to Grantee's non-interest bearing account shall vest only to the extent that the RSUs vest and shall be paid in accordance with Section 6 below. The Dividend Equivalents shall be forfeited in the event that the RSUs are forfeited.

6. Issuance of Shares upon Vesting. No Shares shall be issued to Grantee prior to the date that the RSUs vest pursuant to this Agreement. As soon as practical and in any event within sixty (60) days after the date that the RSUs vest pursuant to Section 4 (or within such longer period as may be permitted under Section 409A upon Grantee's death), and subject to the Company's Incentive-Based Compensation Recoupment Policy (described in Section 10 below) and the applicable terms of Exhibit C attached hereto, the Company will cause Shares to be issued to an unrestricted account in Grantee's name in payment of such vested RSUs and will cause any Dividend Equivalents attributed to such vested RSUs to be paid in cash to Grantee or, in the event of death, to Grantee's heirs, subject to the applicable laws of descent and distribution. Notwithstanding the foregoing, (a) in the event of vesting of the RSUs upon a Change in Control, the RSUs and any Dividend Equivalents shall be paid in accordance with Section 14.2 of the Plan, and (b) to the extent that (i) the RSUs constitute "nonqualified deferred compensation" subject to Section 409A, (ii) Grantee is subject to U.S. federal taxation and (iii) the aforementioned sixty (60) day period spans two calendar years, the RSUs and any Dividend Equivalents will be paid in the second of such calendar years.

7. Transfer Restrictions. The RSUs may not be sold, assigned, transferred, pledged, or otherwise encumbered in any manner other than by will or the laws of descent and distribution, unless and until the shares of Common Stock underlying the vested RSUs have been issued.

8. Stockholder Rights. The RSUs granted pursuant to this Agreement do not and shall not entitle Grantee to any rights of a stockholder of the Company's Common Stock. Grantee's rights with respect to the RSUs shall remain forfeitable at all times prior to the Vesting Date or such other date on which the RSUs vest pursuant to Section 4.

9. Adjustments Upon Specified Events. In the event of a Share Change (as defined in the Plan), the number and class of Shares or other securities that Grantee shall be entitled to, and shall hold, pursuant to this Agreement shall be appropriately adjusted or changed to reflect the Share Change, provided that any such additional Shares or additional or different Shares or securities shall remain subject to the restrictions in this Agreement.

10. Recoupment. All Awards of RSUs, whether unvested or vested, and any Shares issued or Dividend Equivalents paid on vesting of the RSUs, shall be subject to the Company's Incentive-Based Compensation Recoupment Policy, as it may be amended from time to time (the "Recoupment Policy"), such that any Award that was made to a Grantee who is subject to the Recoupment Policy, and any Shares or Dividend Equivalents acquired pursuant to such Award, shall be subject to deduction, clawback or forfeiture, as provided under the Recoupment Policy. Further, the RSUs, whether unvested or vested, and any Shares issued or Dividend Equivalents paid on vesting of the RSUs, shall be subject to deduction, clawback or forfeiture to the extent required to comply with any recoupment requirement imposed under applicable laws, rules, regulations or stock exchange listing standards. In order to satisfy any recoupment obligation arising under the Recoupment Policy or otherwise under applicable laws, rules, regulations or stock exchange listing standards, among other things, Grantee expressly and explicitly authorizes the Company to issue instructions, on Grantee's behalf, to any brokerage firm or stock plan service provider engaged by the Company to hold any Shares, Dividend Equivalents or other amounts acquired pursuant to the RSUs to re-convey, transfer or otherwise return such Shares, Dividend Equivalents and/or other amounts to the Company upon the Company's enforcement of the Recoupment Policy.

11. Compliance with Section 409A of the Code for U.S. Taxpayers. The parties intend that this Agreement and the benefits provided hereunder be exempt from the requirements of Section 409A of the Code (together with any U.S. Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "Section 409A") to the maximum extent possible, whether pursuant to the short-term deferral exception described in Treasury Regulation Section 1.409A-1(b)(4) or otherwise. However, to the extent that the RSUs (or any portion thereof) may be subject to Section 409A, the parties intend that this Agreement and such benefits comply with the deferral, payout, and other limitations and restrictions imposed under Section 409A and this Agreement shall be interpreted, operated and administered in a manner consistent with such intent. Notwithstanding any other provision of the Plan or this Agreement, the Committee shall have the right in its sole discretion (without any obligation to do so or to indemnify Grantee or any other person for failure to do so) to adopt such amendments to the Plan or this Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Committee determines are necessary or appropriate either for the RSUs to be exempt from the application of Section 409A or to comply with the requirements of Section 409A. Nothing in this Agreement or the Plan shall provide a basis for any person to take action against the Company or any Subsidiary or Affiliate based on matters covered by Section 409A of the Code, including the tax treatment of any amount paid or RSUs granted under this Agreement, and neither the Company nor any of its Subsidiaries shall under any circumstances have any liability to Grantee or his or her estate or any other party for any taxes, penalties or interest due on amounts paid or payable under this Agreement, including taxes, penalties or interest imposed under Section 409A.

12. Securities Law and other Legal Compliance. Notwithstanding any other provision of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the Common Stock, the Company shall not be required to deliver any Common Stock issuable upon settlement of the RSUs prior to the completion of any registration or qualification of the Common Stock under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of the SEC or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. Grantee understands that the Company is under no obligation to register or qualify the Common Stock with the SEC or any state, provincial or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of Common Stock. Further, Grantee agrees that the Company shall have unilateral authority to amend the Plan and this Agreement without Grantee's consent to the extent necessary to comply with securities or other laws applicable to the issuance of Common Stock.

13. Grantee's Representation. Grantee represents and warrants that he or she is acquiring the RSUs and any Shares for investment purposes only, and not with a view to distribution thereof.

14. Confidentiality, Inventions, Non-Solicitation and Non-Competition; Stock Ownership Guidelines. In exchange for receipt of consideration in the form of the RSU award pursuant to this Agreement

and other good and valuable consideration, Grantee agrees that he/she shall comply with the confidentiality, inventions, non-solicitation and non-competition provisions attached hereto as Exhibit C. Grantee acknowledges its obligations, if and as applicable to Grantee's position, described in the Company's Stock Ownership Guidelines in effect from time to time, as summarized in Exhibit A.

15. Nature of Grant. In accepting the grant, Grantee acknowledges, understands and agrees that:

a) the Plan is established voluntarily by the Company, it is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;

b) the grant of RSUs is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of RSUs, or benefits in lieu of RSUs, even if RSUs have been granted in the past;

c) all decisions with respect to future RSUs or other grants, if any, will be at the sole discretion of the Company;

d) the RSU grant and Grantee's participation in the Plan shall not create a right to employment or service or be interpreted as forming or amending an employment or services contract with the Company and shall not interfere with the ability of the Service Recipient to terminate Grantee's employment or service relationship (if any);

e) Grantee is voluntarily participating in the Plan;

f) if Grantee is an Employee, the RSUs and the Shares subject to the RSUs, and any related income and value, are not intended to replace any pension rights or compensation;

g) if Grantee is an Employee, the RSUs and the Shares subject to the RSUs, and any related income and value, are not part of normal or expected compensation for any purposes including, but not limited to, calculating any severance, resignation, termination, payment in lieu of notice, redundancy, dismissal, end-of-service payments, holiday pay, bonuses, long-service awards, leave-related payments, pension, retirement, welfare benefits or similar payments;

h) the future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty;

i) no claim or entitlement to compensation or damages shall arise from any loss of any right or benefit, or prospective right or benefit, including the forfeiture of RSUs resulting from the termination of Grantee's employment or other service relationship (for any reason whatsoever whether or not later found to be invalid or in breach of applicable laws in the jurisdiction where Grantee is employed or providing service or the terms of Grantee's employment or service agreement, if any) and any forfeiture of RSUs or recoupment of Shares resulting from the application of the Recoupment Policy or any other forfeiture or recoupment pursuant to Section 10 of this Agreement;

j) unless otherwise agreed with the Company, the RSUs and Shares subject to the RSUs, and any related income and value, are not granted as consideration for, or in connection with, the service Grantee may provide as a director of a Subsidiary; and

k) the Company shall not be liable for any foreign exchange rate fluctuation between Grantee's local currency and the U.S. Dollar that may affect the value of the RSUs or of any amounts due to Grantee pursuant to the settlement of the RSUs or the subsequent sale of any Shares acquired upon settlement.

16. Responsibility for Taxes.

a) Grantee acknowledges that, regardless of any action taken by the Company or the Service Recipient, the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to Grantee's participation in the Plan and legally applicable to Grantee ("Tax-Related Items"), is and remains Grantee's responsibility and may exceed the amount, if any, actually withheld by the Company or the Service Recipient. Grantee further acknowledges that the Company and/or the Service Recipient (1) make no representations or undertakings regarding the treatment of any Tax-Related Items

in connection with any aspect of the RSUs or the Dividend Equivalents, including, but not limited to, the grant, vesting or settlement of the RSUs, the subsequent sale of Shares acquired pursuant to such settlement and the receipt or payment of any dividends or any Dividend Equivalents and (2) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the RSUs or the Dividend Equivalents to reduce or eliminate Grantee's liability for Tax-Related Items or achieve any particular tax result. Further, if Grantee is subject to Tax-Related Items in more than one jurisdiction, Grantee acknowledges that the Company and/or the Service Recipient (or former service recipient, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

b) In connection with any relevant taxable or tax withholding event, as applicable, Grantee agrees to make adequate arrangements satisfactory to the Company and/or the Service Recipient to satisfy all Tax-Related Items. In this regard, Grantee authorizes the Company and/or the Service Recipient, or their respective agents, at their discretion, to satisfy any applicable withholding obligations, if any, with regard to all Tax-Related Items by one or a combination of the following:

(i) withholding from Grantee's wages or other cash compensation payable to Grantee by the Company and/or the Service Recipient; or

(ii) withholding from proceeds of the sale of Shares acquired upon vesting/settlement of the RSU either through a voluntary sale or through a mandatory sale arranged by the Company (on Grantee's behalf pursuant to this authorization);

(iii) withholding in Shares to be issued pursuant to the RSUs; or

(iv) any other method of withholding determined by the Company to comply with applicable laws and the Plan.

c) Notwithstanding Section 16(b) above or Section 16(g) below, if Grantee is subject to the reporting requirements of Section 16(a) of the Exchange Act, then any applicable withholding obligations will be satisfied by withholding in Shares to be issued pursuant to the RSUs, unless such withholding is not feasible under applicable tax or securities law or has materially adverse accounting consequences, in which case, the Company may satisfy any withholding obligations for Tax-Related Items in accordance with Section 16(b)(i) or (ii).

d) Subject to Section 16.2 of the Plan, the Company may withhold or account for the Tax-Related Items by considering statutory withholding amounts or other applicable withholding rates in Grantee's jurisdiction(s), including (i) maximum applicable rates, in which case Grantee may receive a refund of any over-withheld amount in cash (whether from applicable tax authorities or the Company) and will have no entitlement to the Common Stock equivalent or (ii) minimum rates or such other applicable rates, in which case Grantee may be solely responsible for paying any additional Tax-Related Items to the applicable tax authorities or the Service Recipient.

e) If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, Grantee is deemed to have been issued the full number of Shares subject to the vested RSUs, notwithstanding that a number of the Shares is held back solely for the purpose of paying the Tax-Related Items.

f) The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares, if Grantee fails to comply with Grantee's obligations in connection with the Tax-Related Items.

g) To the extent that a withholding obligation for Tax-Related Items arises prior to the scheduled Vesting Date or such other vesting event hereunder, the Company may accelerate the vesting of RSUs to the extent necessary to satisfy such Tax-Related Items in the manner set forth in Section 16(b)(ii) or (iii). However, notwithstanding anything in this Section 16 to the contrary, to the extent that the RSUs constitute "nonqualified deferred compensation" subject to Section 409A and Grantee is subject to U.S. federal taxation, the number of Shares withheld (or sold on Grantee's behalf) shall not exceed the number of Shares that equals the liability for Tax-Related Items. For avoidance of doubt, any vesting and settlement of RSUs effected to cover Tax-Related Items pursuant to this Section 16(g) shall apply only to the applicable number of RSUs and not to any associated Dividend Equivalents thereon, which shall remain subject to vesting on the dates or events set forth in Section 4 and payable pursuant to Section 6 of this Agreement.

17. Data Privacy. ***Grantee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Grantee's personal data as described in this Agreement and any other RSU grant materials ("Data") by and among, as applicable, the Company and its other Subsidiaries and Affiliates for the exclusive purpose of implementing, administering and managing Grantee's participation in the Plan.***

Grantee understands that the Company holds certain personal information about Grantee, including, but not limited to, Grantee's name, home address, email address, telephone number, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any Shares of stock or directorships held in the Company, details of all RSUs or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in Grantee's favor, for the exclusive purpose of implementing, administering and managing the Plan.

Grantee understands that Data will be transferred to Bank of America Merrill Lynch ("Merrill Lynch"), or such other stock plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration and management of the Plan. Grantee understands that the recipients of the Data may be located in the U.S. or elsewhere, and that the recipients' country (e.g., the U.S.) may have different data privacy laws and protections than Grantee's country. Grantee understands that he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. Grantee authorizes the Company, Merrill Lynch and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his or her participation in the Plan. Grantee understands that Data will be held only as long as is necessary to implement, administer and manage Grantee's participation in the Plan. Grantee understands he or she may, at any time, view Data, request information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative. Further, Grantee understands that he or she is providing the consents herein on a purely voluntary basis. If Grantee does not consent, or if Grantee later seeks to revoke his or her consent, his or her employment or service status will not be adversely affected; the only consequence of refusing or withdrawing Grantee's consent is that the Company would not be able to grant RSUs or other equity awards to Grantee or administer or maintain such awards. Therefore, Grantee understands that refusing or withdrawing his or her consent may affect Grantee's ability to participate in the Plan. For more information on the consequences of Grantee's refusal to consent or withdrawal of consent, Grantee understands that he or she may contact his or her local human resources representative.

18. No Advice Regarding Grant. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Grantee's participation in the Plan, or Grantee's acquisition or sale of the underlying Shares. Grantee should consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan.

19. Insider Trading/Market Abuse Restrictions. Grantee may be subject to insider trading restriction and/or market abuse laws in applicable jurisdictions including, but not limited to, the U.S. and Grantee's country of residence, which may affect Grantee's ability to accept, acquire sell or otherwise dispose of Shares or rights to Shares (*e.g.*, RSUs) or rights linked to the value of Shares during such times as Grantee is considered to have "inside information" regarding the Company (as defined by the laws in the applicable jurisdictions). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. Grantee is responsible for ensuring Grantee's own compliance with any applicable restrictions and is advised to speak with his or her personal legal advisor on this matter.

20. Foreign Asset / Account or Tax Reporting; Exchange Control. Grantee acknowledges that there may be certain exchange control, foreign asset/account, or tax reporting requirements which may affect Grantee's ability to acquire or hold Shares acquired under the Plan or cash received from participating in the Plan (including from any dividends or Dividend Equivalents) in a brokerage or bank account outside Grantee's country. Grantee may be required to report such accounts, assets or transactions to the tax or other authorities in his or her country. Grantee also may be required to repatriate sale proceeds or other funds received as a result of Grantee's participation in the Plan to his or her country through a designated bank or broker within a certain time after receipt. Grantee acknowledges that it is Grantee's responsibility to be compliant with such regulations, and Grantee should consult his or her personal legal advisor for any details.

21. Electronic Delivery and Participation. The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. Grantee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or any third party designated by the Company. By Grantee's execution of this Agreement or acceptance by electronic means and the electronic signature of the Company's representative, Grantee and the Company agree that this RSU is granted under and governed by the terms and conditions of the Plan and this Agreement.

22. Country-Specific Terms and Conditions. Notwithstanding any provisions in this Agreement, the RSU grant shall be subject to any additional terms and conditions set forth in Exhibit B to this Agreement for Grantee's country. Moreover, if Grantee relocates to one of the countries included in Exhibit B, the additional terms and conditions for such country will apply to Grantee, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. Exhibit B constitutes part of this Agreement.

23. Language. Grantee acknowledges that he or she is sufficiently proficient in English, or has consulted with an advisor who is sufficiently proficient in English, so as to allow Grantee to understand the terms of this Agreement. Furthermore, if Grantee has received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

24. Imposition of Other Requirements. The Company reserves the right to impose other requirements on Grantee's participation in the Plan, on the RSUs and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require Grantee to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

25. Governing Law and Venue. Except with respect to Exhibit C, the RSU grant and the provisions of this Agreement and the validity, interpretation, construction and performance of same shall be governed by, and subject to, the laws of the State of Delaware, without regard to its conflict of law provisions. Any and all disputes relating to, concerning or arising from this Agreement, or relating to, concerning or arising from the relationship between the parties evidenced by the RSUs or this Agreement, shall be brought and heard exclusively in the U.S. District Court for the District of Delaware or the Delaware Superior Court, New Castle County. Each of the parties hereby represents and agrees that such party is subject to the personal jurisdiction of said courts; hereby irrevocably consents to the jurisdiction of such courts in any legal or equitable proceedings related to, concerning or arising from such dispute, and waives, to the fullest extent permitted by law, any objection which such party may now or hereafter have that the laying of the venue of any legal or equitable proceedings related to, concerning or arising from such dispute which is brought in such courts is improper or that such proceedings have been brought in an inconvenient forum.

26. Severability. The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

27. Waiver. Grantee acknowledges that a waiver by the Company of any provision, or breach thereof, of this Agreement on any occasion shall not operate or be construed as a waiver of such provision on any other occasion or as a waiver of any other provision of this Agreement, or of any subsequent breach by Grantee or any other Plan participant.

28. Pronouns; Including. Wherever appropriate in this Agreement, personal pronouns shall be deemed to include the other genders and the singular to include the plural. Wherever used in this Agreement, the term "including" means "including, without limitation."

29. Successors in Interest. This Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns, whether by merger, consolidation, reorganization, sale of assets, or otherwise. This Agreement shall inure to the benefit of Grantee's legal representatives. All obligations imposed upon Grantee and all rights granted to the Company under this Agreement shall be final, binding, and conclusive upon Grantee's heirs, executors, administrators, and successors.

30. Integration. This Agreement, along with any Exhibit hereto, encompasses the entire agreement of the parties related to the subject matter of this Agreement, and supersedes all previous understandings and agreements between them, whether oral or written, except as otherwise described specifically in Exhibit C. The parties hereby

acknowledge and represent, that they have not relied on any representation, assertion, guarantee, warranty, collateral contract or other assurance, except those set out in this Agreement, made by or on behalf of any other party or any other person or entity whatsoever, prior to the execution of this Agreement.

31. Interpretation. The Committee shall have the sole and absolute authority to interpret, construe and apply the terms of the Plan and this Agreement and to make any and all determinations under them. Any determination or decision by the Committee shall be final, binding and conclusive upon Grantee, Grantee's legal representative and the Company for all purposes.

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By completing the online acceptance process, Grantee accepts the grant of RSUs and agrees to all the terms and conditions described in this Agreement and in the Plan.

PLEASE RETAIN THIS AGREEMENT AND ALL EXHIBITS FOR YOUR RECORDS.

EXHIBIT A

STOCK OWNERSHIP GUIDELINES AND RETENTION REQUIREMENT

It is the Company's belief and expectation that executives should own a reasonable amount of Common Stock to further align their interests with those of our stockholders. Accordingly, you acknowledge that you have read the Company's Stock Ownership Guidelines ("Guidelines"), as posted on the Company's website, and that you are expected to adhere to those Guidelines.

Your stock ownership level and retention requirements are set forth below based on the Grantee Level stated on the first page of this Agreement.

Grantee Level / Title	Ownership Multiple of Annual Base Salary	Retention Requirement Percentage
0 – CEO	6	50%
1 – Other Named Executive Officers (NEOs)	3	50%
2 – Senior Vice Presidents (other than NEOs)	2	50%
3 – All Other Associates/Participants	0	0%

EXHIBIT B

ADDITIONAL TERMS AND CONDITIONS FOR GRANTEES OUTSIDE THE U.S.

Terms and Conditions

This Exhibit B includes additional terms and conditions that govern the RSUs granted to Grantee under the Plan if Grantee resides in one of the countries listed below. These terms and conditions are in addition to, or if so indicated, in place of the terms and conditions in the Agreement. If Grantee is a citizen or resident of a country other than the one in which he or she is currently working, transferred employment and/or residency after the RSUs were granted, or is considered a resident of another country for local law purposes, the Company shall, in its discretion, determine to what extent the terms and conditions contained herein shall be applicable to Grantee.

Notifications

This Exhibit B also includes information regarding exchange controls and certain other issues of which Grantee should be aware with respect to his or her participation in the Plan. The information is based on the securities, exchange control, and other laws in effect in the respective countries as of June 2023. Such laws are often complex and change frequently. As a result, the Company strongly recommends that Grantee not rely on the information in this Exhibit B as the only source of information relating to the consequences of Grantee's participation in the Plan because the information may be out of date at the time that the RSUs vest or Grantee sells Shares.

In addition, the information contained herein is general in nature and may not apply to Grantee's particular situation, and the Company is not in a position to assure Grantee of a particular result. Accordingly, Grantee should seek appropriate professional advice as to how the relevant laws in Grantee's country may apply to his or her situation.

If Grantee is a citizen or resident of a country other than the one in which he or she is currently working, transferred employment and/or residency after the RSUs were granted, or is considered a resident of another country for local law purposes, the notifications contained herein may not be applicable to Grantee.

Certain capitalized terms used but not defined in this Exhibit B have the meanings set forth in the Plan and the Agreement.

EUROPEAN UNION/EUROPEAN ECONOMIC AREA
(Including United Kingdom)

Data Privacy. The provisions below replace Section 17 of the Agreement if Grantee is located in the European Union/European Economic Area (including the United Kingdom).

a) Data Collection and Usage. Pursuant to applicable data protection laws, Grantee is hereby notified that, in order to perform this Agreement and facilitate Grantee's participation in the Plan, the Company will collect, process, use, and transfer Grantee's Personal Data (as defined herein) for purposes of allocating Shares and implementing, administering, and managing the Plan. Where required, the legal basis underlying the Company's collection, use, transfer and other processing of Grantee's Personal Data is the necessity of the processing (i) for the performance of this Agreement subject to the terms and conditions set forth in the Plan, (ii) to comply with legal obligations to which the Company is subject according to European Union ("EU"), European Economic Area ("EEA") or Member State law, or (iii) the pursuit of the Company's legitimate interest to comply with legal obligations to which the Company is subject according to law established outside the EU/EEA. Grantee's personal data and personally-identifiable information processed by the Company includes Grantee's name, home address, telephone number and email address, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any equity or directorships held in the Company and any Subsidiary, details of all RSUs or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested, or outstanding in Grantee's favor, which the Company receives from Grantee or the Service Recipient ("Personal Data"). Grantee's provision of Personal Data is a contractual requirement under this Agreement and the Plan. Grantee's refusal to provide Personal Data would make it impossible for the Company to perform its contractual obligations and may affect Grantee's ability to participate in the Plan.

b) Stock Plan Administration Service Providers. The Company transfers Personal Data to Merrill Lynch, Pierce, Fenner & Smith Incorporated (including its affiliated companies; collectively "Bank of America Merrill Lynch"), an independent service provider with operations relevant to the Company in the United States, which assists the Company with the implementation, administration, and management of the Plan. In this case, Grantee's Personal Data will only be accessible by those individuals requiring access to it for purposes of implementing, administering, and operating the Plan. Grantee will be asked to agree on separate terms and data processing practices with Bank of America Merrill Lynch, which is a condition to Grantee's ability to participate in the Plan. In the future, the Company may select a different service provider, which will act in a similar manner, and share Personal Data with such service provider.

c) International Data Transfers. The Company and Bank of America Merrill Lynch are based in the United States, which means that it will be necessary for Personal Data to be transferred to, and processed in, the United States. If Grantee is outside the United States, Grantee should note that his or her country may have enacted data privacy laws that are different from the laws of the United States. Further, in the absence of appropriate safeguards such as EU Standard Contractual Clauses published by the EU Commission, the processing of Grantee's Personal Data in the United States or, as the case may be, other countries, might not be subject to substantive data processing principles or supervision by data protection authorities. In addition, Grantee might not have enforceable rights regarding the processing of his or her Personal Data in such countries.

The Company provides appropriate safeguards for protecting Personal Data that it receives in the United States through its adherence to EU Standard Contractual Clauses entered into between the Company and its Subsidiaries and Affiliates within the EU, the EEA and the United Kingdom. Grantee can ask for copies of such EU Standard Contractual Clauses using the following contact details: Rob Selker at rob.selker@eldoled.com, Loic Mrissa at lmrissa@distech-controls.com, or Ian Doyle at IDoyle@holophane.co.UK, or their successors. Bank of America Merrill Lynch has not implemented appropriate safeguards such as the EU Standard Contractual Clauses. As a consequence, if Grantee is located in the EU, the EEA or the United Kingdom, Personal Data is transferred by the Company to Bank of America Merrill Lynch solely based on Grantee's consent provided to the Company as follows:

If Grantee is located in the EU, the EEA or the United Kingdom, by signing or otherwise entering into this Agreement, Grantee unambiguously consents to the onward transfer of Personal Data by the Company to Bank of America Merrill Lynch as described in Section 17(c) above. Grantee understands that granting such consent is voluntary and that Grantee may, at any time and with future effect, refuse to provide such consent or withdraw such consent by contacting Rob Selker at rob.selker@eldoled.com, Loic Mrissa at lmrissa@distech-controls.com, or Ian Doyle at IDoyle@holophane.co.UK, or their successors. If Grantee does not consent or later withdraws consent, Grantee's employment status or service with the Service Recipient will not be affected. The only consequence of not providing or withdrawing consent is that the Company would not be able to grant RSUs or other equity awards to Grantee or administer or maintain such awards. Therefore, Grantee understands that refusing or withdrawing consent may affect his or her ability to participate in the Plan. For more information on the consequences of refusal or withdrawal of consent, Grantee may contact Rob Selker at rob.selker@eldoled.com, Loic Mrissa at lmrissa@distech-controls.com, or Ian Doyle at IDoyle@holophane.co.UK, or their successors.

d) Data Retention. The Company will use Grantee's Personal Data only as long as is necessary to implement, administer and manage Grantee's participation in the Plan or as required to comply with legal or regulatory obligations, including under tax, labor, securities, and exchange control laws. This period may extend beyond Grantee's employment or service with the Service Recipient. When the Company no longer needs Grantee's Personal Data, the Company will remove it from it from its systems to the fullest extent reasonably practicable. If the Company keeps Personal Data longer, it would be to satisfy legal or regulatory obligations and the Company's legal basis would be relevant laws or regulations.

e) Data Subject Rights. Grantee has a number of rights under data privacy laws in his or her country. Depending on where Grantee is based and subject to the applicable statutory conditions, Grantee's rights include the right to (a) request access or copies of Personal Data the Company processes, (b) rectification of incorrect or incomplete data, (c) deletion of data, (d) restrictions on processing, (e) object to the processing for legitimate interests, (f) portability of data, (g) lodge complaints with competent authorities in Grantee's country, and/or (h) request a list with the names and addresses of any potential recipients of Grantee's Personal Data. To receive clarification regarding Grantee's rights or to exercise Grantee's rights, Grantee should contact his or her local human resources representative.

f) Controller and Authorized EU Representative. The Company is the controller responsible for the processing of Grantee's Personal Data as described in this Section 17. The Company's authorized representatives in the EU are Rob Selker, eldoLED B.V., Science Park Eindhoven 5125, 5692 ED Son, The Netherlands, and Loic Mrissa, Distech Controls, ZAC de Sacuny, 558 avenue Marcel Mérieux Brignais, France, or their successors.

CANADA
(Quebec Only)

Terms and Conditions

French Language Documents. A French translation of this document and the Plan will be made available to Grantee as soon as reasonably practicable. Notwithstanding anything to the contrary in the Agreement, and unless Grantee indicates otherwise, the French translation of this document and the Plan will govern Grantee's participation in the Plan.

Documents en Langue Française. *Une traduction française du présent document et du Plan sera mise à la disposition du Grantee dès que cela sera raisonnablement possible. Nonobstant toute disposition contraire dans le Contrat, et à moins que le Grantee n'indique le contraire, la traduction française du présent document et du Plan régira la participation du Grantee au Plan.*

Data Privacy. The following provision supplements Section 17 of the Agreement:

Grantee hereby authorizes the Company and the Company's representatives to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. Grantee further authorizes the Company, any Subsidiary or Affiliate to disclose and discuss the Plan with their advisors. Grantee further authorizes the Company and any Subsidiary or Affiliate to record such information and to keep such information in Grantee's file. Grantee acknowledges that Grantee's personal information, including any sensitive personal information, may be transferred or disclosed outside the province of Quebec, including to the U.S. If applicable, Grantee also acknowledges and authorizes the Company, the Service Recipient, and Merrill Lynch to use technology for profiling purposes and to make automated decisions that may have an impact on Grantee or the administration of the Plan.

CANADA
(All Provinces, Including Quebec)

Terms and Conditions

Termination of Service. The following provision supplements Section 4(c) of the Agreement:

Notwithstanding Section 4(c) of the Agreement, if applicable employment standards legislation explicitly requires continued entitlement to vesting during a statutory notice period, Grantee's right to vest in the RSUs under the Plan, if any, will terminate effective as of the last day of Grantee's minimum statutory notice period, but Grantee will not earn or be entitled to pro-rated vesting if the Vesting Date falls after the end of Grantee's statutory notice period, nor will Grantee be entitled to any compensation for lost vesting.

Notifications

Securities Law Notice. Grantee acknowledges that he or she is permitted to sell the Shares acquired under the Plan through Bank of America Merrill Lynch or other such stock plan service provider as may be selected by the Company in the future, provided the sale of the Shares takes place outside of Canada through facilities of a stock exchange on which the Shares are listed. The Shares are currently listed on the New York Stock Exchange.

Foreign Asset and Account Reporting Information. Canadian residents may be required to report foreign specified property on Form T1135 (Foreign Income Verification Statement) if the total cost of the foreign specified property exceeds C$100,000 at any time in the year. Foreign specified property includes Shares acquired under the Plan and may include the RSUs, and their cost generally is the adjusted cost base ("ACB") of the Shares. The ACB ordinarily would equal the fair market value of the Shares at the time of acquisition, but if the Canadian resident owns other Shares, whether acquired under the Plan or outside of it, the ACB of Shares

acquired pursuant to this Agreement may have to be averaged with the ACB of the other Shares. The Form T1135 generally must be filed by April 30 of the following year. Canadian residents should consult with a personal advisor to ensure compliance with the applicable reporting requirements.

FRANCE

Terms and Conditions

Restricted Stock Units Not French-qualified. The RSUs granted under this Agreement are not intended to qualify for specific tax and social security treatment pursuant to Sections L. 225-197-1 to L. 225-197-6 of the French Commercial Code, as amended.

Language Consent. By accepting the grant, Grantee confirms having read and understood the Plan and Agreement which were provided in the English language. Grantee accepts the terms of those documents accordingly.

Consentement linguistique. *En acceptant l'attribution, le Participant confirme avoir lu et compris le Plan et le Contrat, qui ont été communiqués en langue anglaise. Le Participant accepte les termes de ces documents en connaissance de cause.*

Notifications

Foreign Asset and Account Reporting Information. French residents holding cash or Shares outside France must declare all foreign bank and brokerage accounts (including any accounts that were closed during the tax year) on an annual basis, together with their income tax return.

GERMANY

Notifications

Exchange Control Information. Cross-border payments in excess of €12,500 must be reported to the German Federal Bank (*Bundesbank*). If Grantee receives a payment in excess of €12,500 (including if Grantee acquires Shares under the Plan or receives dividends or Dividend Equivalents with a value in excess of this amount or sells Shares via a foreign broker, bank, or service provider and receives proceeds in excess of this amount), Grantee must report the payment to *Bundesbank*, either electronically using the "General Statistics Reporting Portal" (*Allgemeines Meldeportal Statistik*) available via *Bundesbank*'s website (www.bundesbank.de) or by such other method (*e.g.*, by email or telephone) as is permitted or required by *Bundesbank*. The report must be submitted monthly or within such other timing as is permitted or required by *Bundesbank*. Grantee should consult Grantee's personal legal advisor to ensure compliance with the applicable reporting requirements.

Foreign Asset/Account Reporting Information. If Grantee's acquisition of Shares under the Plan leads to a "qualified participation" at any point during the calendar year, Grantee will need to report the acquisition of Shares when Grantee files his or her tax return for the relevant year. A qualified participation is attained if (i) the value of the Shares acquired exceeds €150,000 or (ii) the Shares held exceed 10% of the total Common Stock. However, provided the Common Stock continues to be listed on a recognized stock exchange (*e.g.*, the New York Stock Exchange) and Grantee owns less than 1% of the Company, this requirement will not apply. Grantee should consult with his or her personal tax advisor to ensure Grantee complies with applicable reporting obligations.

ITALY

Terms and Conditions

Terms of Grant. By accepting the RSUs, Grantee acknowledges that (a) Grantee has received a copy of the Plan, the Agreement and this Exhibit B; (b) Grantee has reviewed those documents in their entirety and fully understands the contents thereof; and (c) Grantee accepts all provisions of the Plan and the Agreement, including this Exhibit B. Grantee further acknowledges that Grantee has read and specifically and expressly approves, without limitation, the following sections of the Agreement: Section 3 (Acceptance of Restricted Stock Unit Award); Section 4 (Vesting of Restricted Stock Unit Award); Section 13 (Grantee's Representation); Section 14 (Confidentiality, Inventions, Non-Solicitation and Non-Competition); Section 15 (Nature of Grant); Section 16

(Responsibility for Taxes); Section 17 (Data Privacy); Section 19 (Insider Trading/Market Abuse Restrictions); Section 23 (Language) and Section 25 (Governing Law and Venue).

Notifications

Foreign Asset / Account Reporting Requirement. Italian residents who, during any fiscal year, hold investments or financial assets outside Italy (*e.g.*, cash, Shares) which may generate income taxable in Italy must report such investments or assets in their annual tax return or on a special form if no tax return is due. These reporting obligations also apply if an Italian resident is the beneficial owner of foreign financial assets under Italian money laundering provisions.

MEXICO

Terms and Conditions

Labor Law Policy and Acknowledgment. By participating in the Plan, Grantee expressly recognizes that Acuity Brands Inc., with registered offices at 1170 Peachtree Street, NE Suite 1200, Atlanta, GA 30309, U.S., is solely responsible for the administration of the Plan and that Grantee's participation in the Plan and acquisition of Shares does not constitute a relationship as an Employee with the Company since Grantee is participating in the Plan on a wholly commercial basis and the sole Service Recipient is a Subsidiary or Affiliate of the Company ("Acuity-Mexico"). Based on the foregoing, Grantee expressly recognizes that the Plan and the benefits that may be derived from participation in the Plan do not establish any rights between Grantee and the Service Recipient, Acuity-Mexico, and do not form part of the employment or service conditions and/or benefits provided by Acuity-Mexico and any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of Grantee's relationship as an Employee or Consultant.

Grantee further understands that Grantee's participation in the Plan is as a result of a unilateral and discretionary decision of the Company. Therefore, the Company reserves the absolute right to amend and/or discontinue Grantee's participation at any time without any liability to Grantee.

Finally, Grantee hereby declares that Grantee does not reserve to himself or herself any action or right to bring any claim against the Company for any compensation or damages regarding any provision of the Plan or the benefits derived under the Plan, and Grantee therefore grants a full and broad release to the Company, the Service Recipient, its Subsidiaries and Affiliates, branches, representation offices, its stockholders, officers, agents or legal representatives with respect to any claim that may arise.

Política de Ley Laboral y Reconocimiento. *Participando en el Plan, el Participante reconoce expresamente que* Acuity Brands Inc.*, con oficinas registradas en 1170 Peachtree Street, NE Suite 1200, Atlanta, GA 30309, U.S., es el único responsable de la administración del Plan y que la participación del Participante en el mismo y la compra de acciones bursátiles no constituye de ninguna manera una relación laboral entre Usted y la Compañía dado que su participación en el Plan deriva únicamente de una relación comercial y que el único Destinatario del Servicio es una Subsidiaria o Afiliada del la Compañía ("Acuity-Mexico"). Derivado de lo anterior, el Participante expresamente reconoce que el Plan y los beneficios que pudieran derivar del mismo no establecen ningún derecho entre el Participante y el Destinatario del Servicio, Acuity-Mexico, y no forman parte de las condiciones de empleo o servicio y/o prestaciones otorgadas por Acuity-Mexico, y cualquier modificación al Plan o la terminación del mismo no podrá ser interpretada como una modificación o degradación de los términos y condiciones de su trabajo.*

Asimismo, el Participante entiende que su participación en el Plan es resultado de la decisión unilateral y discrecional de la Compañía. Por lo tanto, la Compañía se reserva el derecho absoluto para modificar y/o terminar la participación del Participante en cualquier momento, sin ninguna responsabilidad ante el Participante.

Finalmente, el Participante manifiesta que no se reserva ninguna acción o derecho que origine una demanda en contra de la Compañía por cualquier compensación o daño en relación con cualquier disposición del Plan o de los beneficios derivados del mismo, y en consecuencia el Participante otorga un amplio y total finiquito a la Compañía, el Destinatario del Servicio, sus Subsidiarias y Afiliadas, sucursales, oficinas de representación, sus accionistas, directores, agentes y representantes legales con respecto a cualquier demanda que pudiera surgir.

Securities Law Information. The RSUs and the Shares offered under the Plan have not been registered with the National Register of Securities maintained by the Mexican National Banking and Securities Commission and cannot be offered or sold publicly in Mexico. In addition, the Plan, the Agreement and any other document relating to the RSUs may not be publicly distributed in Mexico. These materials are addressed to Grantee only because of Grantee's existing relationship with the Company and these materials should not be reproduced or copied in any form. The offer contained in these materials does not constitute a public offering of securities but rather constitutes a private placement of securities addressed specifically to individuals who are present Employees in Mexico made in accordance with the provisions of the Mexican Securities Market Law, and any rights under such offering shall not be assigned or transferred.

NETHERLANDS

There are no country specific provisions.

UNITED KINGDOM

Terms and Conditions

Issuance of Shares upon Vesting. The following supplements Section 6 of the Agreement:

Notwithstanding anything to the contrary in the Plan or the Agreement, RSUs granted to Grantees resident in the United Kingdom ("U.K.") shall be paid in Shares only.

Responsibility for Taxes. The following supplements Section 16 of the Agreement:

Without limitation to Section 16 of the Agreement, Grantee hereby agrees that he or she is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items, as and when requested by the Company, the Service Recipient or by HM Revenue & Customs ("HMRC") (or any other tax authority or any other relevant authority). Grantee also hereby agrees to indemnify and keep indemnified the Company and (if different) the Service Recipient against any Tax-Related Items that they are required to pay or withhold or have paid or will pay to HMRC (or any other tax authority or any other relevant authority) on Grantee's behalf.

Notwithstanding the foregoing, if Grantee is a director or executive officer of the Company (within the meaning of Section 13(k) of the Exchange Act), the terms of immediately foregoing provision will not apply. In this case, the amount of the income tax not collected within ninety (90) days of the end of the U.K. tax year in which an event giving rise to the Tax-Related Items occurs may constitute a benefit to Grantee on which additional income tax and National Insurance contributions ("NICs") may be payable. Grantee understands that he or she will be responsible for reporting any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for paying the Company or the Service Recipient, as applicable, for the value of any employee NICs due on this additional benefit, which may be recovered from Grantee by the Company or the Service Recipient at any time thereafter by any of the means referred to in Section 16 of the Agreement.

EXHIBIT C

CONFIDENTIALITY, INVENTIONS, NON-SOLICITATION AND NON-COMPETITION PROVISIONS

1. Definitions.

A. **"Confidential Information"** "Confidential Information" means the following:

i. data and information relating to the Company's Business (as defined herein); which is disclosed to Grantee or of which Grantee became aware of as a consequence of Grantee's relationship with the Company; has value to the Company; is not generally known to the competitors of the Company; and which includes trade secrets, methods of operation, names of customers, price lists, financial information and projections, personnel data, and similar information. For purposes of the Confidentiality, Inventions, Non-Solicitation and Non-Competition Provisions (the "Confidentiality Provisions"), subject to the foregoing, and according to terminology commonly used by the Company, the Company's Confidential Information shall include, but not be limited to, information pertaining to: (1) business opportunities; (2) data and compilations of data relating to the Company's Business; (3) compilations of information about, and communications and agreements with, customers and potential customers of the Company; (4) computer software, hardware, network and internet technology utilized, modified or enhanced by the Company or by Grantee in furtherance of Grantee's duties with the Company; (5) compilations of data concerning Company products, services, customers, and end users including but not limited to compilations concerning projected sales, new project timelines, inventory reports, sales, and cost and expense reports; (6) compilations of information about the Company's employees and independent contracting consultants; (7) the Company's financial information, including, without limitation, amounts charged to customers and amounts charged to the Company by its vendors, suppliers, and service providers; (8) proposals submitted to the Company's customers, potential customers, wholesalers, distributors, vendors, suppliers and service providers; (9) the Company's marketing strategies and compilations of marketing data; (10) compilations of data or information concerning, and communications and agreements with, vendors, suppliers and licensors to the Company and other sources of technology, products, services or components used in the Company's Business; (11) any information concerning services requested and services performed on behalf of customers of the Company, including planned products or services; and (12) the Company's research and development records and data. Confidential Information also includes any summary, extract or analysis of such information together with information that has been received or disclosed to the Company by any third party as to which the Company has an obligation to treat as confidential.

ii. Confidential Information shall not include:

a) Information generally available to the public other than as a result of improper disclosure by Grantee;

b) Information that becomes available to Grantee from a source other than the Company (provided Grantee has no knowledge that such information was obtained from a source in breach of a duty to the Company);

c) Information disclosed pursuant to law, regulations or pursuant to a subpoena, court order or legal process; and/or

d) Information obtained in filings with the Securities and Exchange Commission.

B. **"Trade Secrets"** has the meaning set forth under Georgia law, O.C.G.A. §§ 10-1-760, et seq.

C. **"Customers"** means those entities and/or individuals which, within the two-year period preceding the Date of Termination (as that term is defined in Restricted Stock Unit Agreement): (i) Grantee had material contact on behalf of the Company; (ii) about whom Grantee acquired, directly or indirectly, Confidential Information or Trade Secrets as a result of his/her employment with the Company; and/or (iii) Grantee exercised oversight or responsibility of subordinates who engaged in Material Contact on behalf of the Company. Additionally, "Customers" references only those entities and/or individuals with whom the Company currently has a business relationship, or with whom it expended resources to have or resume the same during the two-year period referenced herein.

D. **"Company"** means Acuity Brands, Inc., along with its Subsidiaries or other Affiliates.

E. **"Company's Business"** means the design, manufacture, installation, servicing, and/or sale of one or more of the following and any related products and/or services: lighting fixtures and systems; lighting control components and systems (including but not limited to dimmers, switches, relays, programmable lighting controllers, sensors, timers, and range extenders for lighting and energy management and other purposes); building management and/or control systems; commercial building lighting controls; intelligent building automation and energy management products, software and solutions; motorized shading and blind controls; building security and access control and monitoring for fire and life safety; emergency lighting fixtures and systems (including but not limited to exit signs, emergency light units, inverters, back-up power battery packs, and combinations thereof); battery powered and/or photovoltaic lighting fixtures; electric lighting track units; hardware for mounting and hanging electrical lighting fixtures; aluminum, steel and fiberglass fixture poles for electric lighting; light fixture lenses; sound and electromagnetic wave receivers and transmitters; flexible and modular wiring systems and components (namely, flexible branch circuits, attachment plugs, receptacles, connectors and fittings); LED drivers and other power supplies; daylighting systems including but not limited to prismatic skylighting and related controls; organic LED products and technology; medical and patient care lighting devices and systems; indoor positioning products and technology; software and hardware solutions that collect data about building and business operations and occupant activities via sensors and use that data to provide software services or data analytics; sensor based information networks; and any wired or wireless communications and monitoring hardware or software related to any of the above. This shall not include any product or service of the Company if the Company is no longer in the business of providing such product or service to its customers at the relevant time of enforcement.

F. **"Employee Services"** shall mean the duties and services of the type conducted, authorized, offered, or provided by Grantee in his/her capacity as an Employee on behalf of the Company within twelve (12) months prior to the Date of Termination.

G. **"Territory"** means the country in which Grantee is employed by the Company (the "Country"). Grantee acknowledges that the Company is licensed to do business in the Country and in fact does business in all states, territories, provinces and other parts of the Country. Grantee further acknowledges that the services she/he has performed on behalf of the Company are at a senior level and are not limited in their territorial scope to any particular city, state, or region, but instead affect the Company's activity within the Country. Specifically, Grantee provides Employee Services on the Company's behalf throughout the Country, meets with Company agents and distributors, develops products and/or contacts throughout the Country, and otherwise engages in his/her work on behalf of the Company on a national level. Accordingly, Grantee agrees that these restrictions are reasonable and necessary to protect the Confidential Information, trade secrets, business relationships, and goodwill of the Company.

H. **"Material Contact"** shall have the meaning set forth in O.C.G.A. § 13-8-51(10), which includes contact between an employee and each Customer or potential Customer: with whom or which Grantee dealt on behalf of the Company; whose dealings with the Company were coordinated or supervised by Grantee; about whom Grantee obtained confidential information in the ordinary course of business as a result of such employee's association with the Company; and/or who receives products or services authorized by the Company, the sale or provision of which results or resulted in compensation, commissions, or earnings for Grantee within two years prior to the Date of Termination.

I. **"Termination for Cause"** or **"Terminated for Cause"** shall mean the involuntary termination of Grantee by the Company for the following reasons:

i. If termination shall have been the result of an act or acts by Grantee which constitute an indictable offense, a felony or any crime involving dishonesty, theft, fraud or moral turpitude;

ii. If termination shall have been the result of an act or acts by Grantee which are determined, in the good faith judgment of the Company, to be in violation of written policies of the Company;

iii. If termination shall have been the result of an act or acts of dishonesty by Grantee resulting or intended to result directly or indirectly in gain or personal enrichment to Grantee at the expense of the Company;

iv. Upon the willful and continued failure by Grantee to substantially perform the duties assigned to Grantee (other than any such failure resulting from incapacity due to mental or physical illness constituting a Disability), after a demand in writing for substantial performance of such duties is delivered by the Company, which demand specifically identifies the manner in which the Company believes that Grantee has not substantially performed his or her duties; or

v. If termination shall have been the result of the unauthorized disclosure by Grantee of the Company's Confidential Information or violation of any other provision of the Confidentiality Provisions.

J. **"Inventions"** and **"Works For Hire."** The term "Invention" means contributions, discoveries, improvements and ideas and works of authorship, whether or not patentable or copyrightable, and: (i) which relate directly to the Company's Business, or (ii) which result from any work performed by Grantee or by Grantee's fellow employees for the Company, or (iii) for which equipment, supplies, facilities, Confidential Information or Trade Secrets of the Company are used, or (iv) which is developed on the Company's time. The term "Works For Hire" ("Works") means all documents, programs, software, creative works and other expressions and information in any tangible medium created, in whole or in part, by Grantee during the period of and relating to his/her employment with the Company, whether copyrightable or otherwise protectable, other than Inventions.

2. Confidentiality, Inventions, Non-Solicitation and Non-Competition.

A. **Purpose and Reasonableness of Provisions.** Grantee acknowledges that, during the term of his/her employment with the Company and after the Date of Termination, the Company has furnished and may continue to furnish to Grantee Trade Secrets and Confidential Information, which, if used by Grantee on behalf of, or disclosed to, a competitor of the Company or other person, could cause substantial detriment to the Company. Moreover, the parties recognize that Grantee, during the term of his/her employment with the Company, has developed important relationships with customers, agents, and others having valuable business relationships with the Company, and that these relationships may continue to develop after the Date of Termination. In view of the foregoing, Grantee acknowledges and agrees that the restrictive covenants contained in this Section 2 are reasonably necessary to protect the Company's legitimate business interests, Confidential Information, and good will.

B. **Trade Secrets and Confidential Information.** Grantee agrees that he/she shall protect the Company's Trade Secrets (as defined in Section 1(b) above) and Confidential Information (as defined in Section 1(a) above) and shall not disclose to any person or entity, or otherwise use or disseminate, except in connection with the performance of his/her duties for the Company, any Trade Secrets or Confidential Information. However, Grantee may make disclosures required by a valid order or subpoena issued by a court or administrative agency of competent jurisdiction, in which event Grantee will promptly notify the Company of such order or subpoena to provide it an opportunity to protect its interests. Grantee's obligations under this Section 2(b) have applied throughout his/her active employment, shall continue after the Date of Termination, and shall survive any expiration or termination of the Confidentiality Provisions, so long as the information or material remains Confidential Information or a Trade Secret, as applicable.

Grantee further confirms that during his/her employment with the Company, including after the Date of Termination, he/she has not and will not offer, disclose or use on Grantee's own behalf or on behalf of the Company, any information Grantee received prior to employment by the Company which was supplied to Grantee confidentially or which Grantee should reasonably know to be confidential.

Nothing in this section prohibits Grantee from reporting possible violations of law or regulation to any governmental agency or entity, or making other disclosures that are protected under the whistleblower provisions of law or regulation. Grantee does not need the prior authorization of the Company to make any such reports or disclosures, and Grantee is not required to notify the Company that Grantee has made such reports or disclosures.

C. **Return of Property**. On or before the Date of Termination, Grantee agrees to deliver promptly to the Company all files, customer lists, management reports, memoranda, research, Company forms, financial data and reports and other documents (including all such data and documents in electronic form) of the Company, supplied to or created by him/her in connection with his/her employment hereunder (including all copies of the foregoing) in his/her possession or control, and all of the Company's equipment and other materials in his/her possession or control. Grantee further agrees and covenants not to retain any

such property and to permanently delete such information residing in electronic format to the best of his/her ability and not to attempt to retrieve it. Grantee's obligations under this Section 2(c) shall survive any expiration or termination of the Confidentiality Provisions.

D. **Inventions.** Grantee does hereby assign to the Company the entire right, title and interest in any Invention which is or was made or conceived, either solely or jointly with others, during his/her employment with the Company, including after the Date of Termination. Grantee attests that he/she has disclosed (or promptly will disclose, if after the Date of Termination) to the Company all such Inventions. Grantee will, if requested, promptly execute and deliver to the Company a specific assignment of title for any such Invention and will at the expense of the Company, take all reasonably required action by the Company to patent, copyright or otherwise protect the Invention.

E. **Non-Competition.** In the event that Grantee,

i. voluntarily resigns from the Company,

ii.is Terminated for Cause (as defined above), or

iii. declines to sign a Confidential Severance Agreement and Release offered by the Company in the event of a termination for any reason other than a Termination for Cause (including, for example, as a result of a position elimination).

Grantee acknowledges and agrees that during his/her employment, and for twelve (12) months after the Date of Termination, he/she has not and will not, directly or indirectly, engage in, provide, or perform any Employee Services on behalf of any person or entity (or, if organized into divisions or units, any distinct division or operating unit) in the Territory that derives revenue from providing goods or services substantially similar to those which comprise the Company's Business. Notwithstanding the foregoing, if the Company terminates Grantee's employment for any reason other than a Termination for Cause (including, for example, as a result of a position elimination), and Grantee signs a Confidential Severance Agreement and Release offered by the Company, the period covered by this non-competition covenant will be reduced to either: (i) the time within which severance payments are scheduled to be paid to Grantee under such agreement, or (ii) if severance is paid to Grantee in a lump sum, the number of weeks of Grantee's then-current regular salary that are used to calculate such lump sum payment; provided, however, that the restrictive period calculated hereunder shall not, in any event, exceed twelve (12) months following the Date of Termination.

F. **Non-Solicitation of Customers**. Grantee acknowledges and agrees that during his/her employment, and for twenty-four (24) months after the Date of Termination, Grantee has not and will not directly or indirectly solicit Customers (as defined in Section 1(c) above) with whom he/she had Material Contact (as defined in 1(g) above) for the purpose of providing goods and/or services competitive with the Company's Business.

G. **Non-Solicitation of Employees and Agents.** Grantee acknowledges and agrees that during his/her employment, and for a period of twenty-four (24) months after the Date of Termination, Grantee has not and will not, directly or indirectly, whether on behalf of Grantee or others, solicit, lure or attempt to hire away any of the Company's employees or agents.

H. **Non-Solicitation of Sales Agents.** Grantee acknowledges and agrees that during his/her employment, and for a period of twenty-four (24) months after the Date of Termination, Grantee has not and will not, directly or indirectly, whether on behalf of Grantee or others, solicit any of the Company's Sales Agents for the purpose of disrupting their relationship with the Company and/or selling and/or facilitating the sale of products competitive with the Company's Business. For purposes of this Section 2, a "Sales Agent" is any third-party agency, and/or its representatives, with which or whom the Company has contracted for the purpose of facilitating the sale of the Company's products during the last twenty-four (24) months of Grantee's employment with the Company.

I. **Injunctive Relief.** Grantee acknowledges that if he/she breaches or threatens to breach any of the provisions of this Section 2, his/her actions may cause irreparable harm and damage to the Company which could not be compensated in damages. Accordingly, if Grantee breaches or threatens to breach any of the provisions of this Section 2, the Company shall be entitled to seek injunctive relief, in addition to any other rights or remedies the Company may have. The existence of any claim or cause of action by

Grantee against the Company, whether predicated on the Confidentiality Provisions or otherwise, shall not constitute a defense to the enforcement by the Company of Grantee's agreements under this Section 2.

3. **Non-Assignable by Grantee**. The parties acknowledge that the Confidentiality Provisions have been entered into due to, among other things, the special skills and knowledge of Grantee, and agree that the Confidentiality Provisions may not be assigned or transferred by Grantee.

4. **Notices**. All notices, requests, demands and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given when delivered or seven days after mailing if mailed first class, certified mail, postage prepaid, addressed as follows:

   If to the Company: Acuity Brands, Inc.
   Attention: Corporate Secretary
   1170 Peachtree Street, NE, Suite 1200
   Atlanta, Georgia 30309

   If to Grantee: To his or her last known address on file with the Company.

   Any party may change the address to which notices, requests, demands and other communications shall be delivered or mailed by giving notice thereof to the other party in the same manner provided herein.

5. **Provisions Severable**. If any provision or covenant, or any part thereof, contained in the Confidentiality Provisions is held by any court, agency, arbitrator or other competent authority to be invalid, illegal, or unenforceable, either in whole or in part, such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of the remaining provisions or covenants, or any part thereof, in the Confidentiality Provisions, all of which shall remain in full force and effect. Each and every provision, paragraph and subparagraph of Section 2 above is severable from the other provisions, paragraphs and subparagraphs and constitutes a separate and distinct covenant. To the extent a court, agency, arbitrator or other competent authority finds that a provision is unenforceable because it is overbroad, the court may modify or reform the provision to the minimum extent necessary for the provision to remain in force and effect for the maximum duration, subject matter scope and geographic area as to which it may be enforceable.

   The restrictive covenants set forth in Section 2 of the Confidentiality Provisions represent the entire agreement of the parties with respect to the subject matter thereof and supersede any prior agreement with respect thereto; provided, however, that the restrictive covenants described in this Exhibit C shall not supersede those set forth in either: (a) any Executive Severance Agreement applicable to Grantee, if any, (b) any Confidentiality, Inventions and Non-Solicitation Agreement to which Grantee is a party, if any, or (c) any restrictive covenants to which Grantee is a party under any employment agreement or offer letter, if any. To the extent that any agreement applicable to Grantee include restrictive covenant provisions that conflict with the provisions contained in these Confidentiality Provisions, the provisions that are more restrictive on Grantee will control.

6. **Waiver**. Failure of either party to insist, in one or more instances, on performance by the other in strict accordance with the terms and conditions of the Confidentiality Provisions shall not be deemed a waiver or relinquishment of any right granted in the Confidentiality Provisions or the future performance of any such term or condition or of any other term or condition of the Confidentiality Provisions, unless such waiver is contained in a writing signed by the party making the waiver.

7. **Amendments and Modifications.** The Confidentiality Provisions and any Exhibit hereto may be amended or modified only by a writing signed by both parties hereto, which makes specific reference to the Confidentiality Provisions. However, this Section does not affect a court of competent jurisdiction or arbitrator`s ability to modify the Confidentiality Provisions, pursuant to O.C.G.A. §§ 13-8-51(11); 53(d); or 54 in the event that either party initiates legal proceedings that relate in any way to this Confidentiality Provisions, including any action brought by either party seeking to enforce any provision set forth herein.

8. **Governing Law and Venue**. The validity and effect of the Confidentiality Provisions shall be governed by and construed and enforced in accordance with the laws of the State of Georgia, United States of America, without regard to its conflict of law provisions. Any and all disputes relating to, concerning or arising from the Confidentiality Provisions, or relating to, concerning or arising from the relationship between the parties evidenced by the Confidentiality Provisions, shall be brought and heard exclusively in the U.S. District Court for the District of Delaware or the Delaware Superior Court, New Castle County. Each of the parties hereby

represents and agrees that such party is subject to the personal jurisdiction of said courts; hereby irrevocably consents to the jurisdiction of such courts in any legal or equitable proceedings related to, concerning or arising from such dispute, and waives, to the fullest extent permitted by law, any objection which such party may now or hereafter have that the laying of the venue of any legal or equitable proceedings related to, concerning or arising from such dispute which is brought in such courts is improper or that such proceedings have been brought in an inconvenient forum.

9. **Legal Fees.** Each party shall pay its own legal fees and other expenses associated with any dispute under the Confidentiality Provisions or any Exhibit hereto.

10. **Tender Back Provision.** If, in the context of a lawsuit involving Grantee or any other person or entity arguing on Grantee's behalf, any court determines that any provisions of Section 2 are void, invalid, illegal, or otherwise unenforceable, Grantee shall be required to immediately return to the Company 70% of all monies paid out under Section 5 of the Restricted Stock Unit Agreement, or to return 70% of any unsold shares Grantee still owns of such RSUs awarded under Section 5 of the Restricted Stock Unit Agreement. For purposes of this section, the amount to be paid back shall be determined by ascertaining the value and amount the share(s) sold at the time that Grantee actually sold such share(s). You acknowledge and agree that this covenant does not constitute a penalty clause.

11. **Tolling Period.** If Grantee is found by a court to have violated any restriction in Section 2 of the Confidentiality Provisions, he/she agrees that the time period for such restriction shall be extended by one day for each day that he/she is found to have violated the restriction, up to a maximum of 18 months.

12. **Language.** The parties acknowledge that they have requested and are satisfied that the Confidentiality Provisions and all related documents be in the English language.

13. **Scope.** For the avoidance of doubt, Exhibit C applies only to Grantees who are Employees at the time of the Termination.

SPECIAL TERMS AND CONDITIONS EXHIBIT TO THE CONFIDENTIALITY, INVENTIONS, NON-SOLICITATION AND NON-COMPETITION PROVISIONS FOR GRANTEES OUTSIDE THE U.S.

This Appendix includes additional country-specific terms and conditions that apply to Grantees in the countries listed below with respect to the Confidentiality, Inventions, Non-Solicitation and Non-Competition Provisions (the "Confidentiality Provisions"). This Appendix is part of the Confidentiality Provisions and contains terms and conditions material to Grantee's rights and obligations under the Confidentiality Provisions. Unless otherwise provided below, capitalized terms used but not defined herein shall have the same meanings assigned to them in the Plan and the Confidentiality Provisions. For the avoidance of doubt, this Appendix applies only to Grantees who are Employees at the time of the Termination.

CANADA

The following provision replaces Section 1(b) of the Confidentiality Provisions:

> **"Trade Secrets"** means technical or nontechnical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, product plans, a list of actual or potential customers or suppliers, or any other proprietary information which is not commonly known by or available to the public and which information: (A) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who obtain economic value from its disclosure or use; and (B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

The following provision replaces Section 1(h) of the Confidentiality Provisions:

> **"Material Contact"** means contact between an employee and each Customer or potential Customer: with whom or which Grantee dealt on behalf of the Company; whose dealings with the Company were coordinated or supervised by Grantee; about whom Grantee obtained Confidential Information in the ordinary course of business as a result of such employee's association with the Company; and/or who receives products or services authorized by the Company, the sale or provision of which results or resulted in compensation, commissions, or earnings for Grantee within two years prior to the date of the Date of Termination.

The following provision shall be added to Section 1(i) as sub-section (vi):

> "or (vi) Any other act or omission, or a series of acts or omissions, of Grantee which, pursuant to applicable law, constitutes "good and sufficient reason" or "just cause" (either at common law or civil law) for termination of employment without notice, payment in lieu of notice or any indemnity whatsoever."

The following provision replaces Section 1(j) of the Confidentiality Provisions:

> **"Inventions"** and **"Works For Hire."** The term "Invention" means contributions, discoveries, improvements and ideas and works of authorship, whether or not patentable or copyrightable, and: (i) which relate directly to the Company's Business, or (ii) which result from any work performed by Grantee or by Grantee's fellow employees for the Company, or (iii) for which equipment, supplies, facilities, Confidential Information or Trade Secrets of the Company are used, or (iv) which is developed on the Company's time. The term "Works For Hire", also known as "Work Made in the Course of Employment" under s. 13(3) of the Canadian *Copyright Act*, ("Works") means all documents, programs, software, creative works and other expressions and information in any tangible medium created, in whole or in part, by Grantee during the period of and relating to his/her employment with the Company, whether copyrightable or otherwise protectable, other than Inventions.

The following provision replaces Section 2(d) of the Confidentiality Provisions:

> **Inventions.** Grantee does hereby assign to the Company the entire right, title and interest in any Invention which is or was made or conceived, either solely or jointly with others, and does hereby waive any and all other rights in any Inventions that are non-assignable, including, but not limited to common law rights, moral rights or any non-economic rights, during his/her employment with the Company, including after the Date of Termination. Grantee attests that he/she has disclosed (or promptly will disclose, if after the

Date of Termination) to the Company all such Inventions. Grantee will, if requested, promptly execute and deliver to the Company a specific assignment of title for any such Invention and will at the expense of the Company, take all reasonably required action by the Company to patent, copyright or otherwise protect the Invention.

The following provision replaces Section 2(e) of the Confidentiality Provisions:

E. Non-Competition.

Grantee acknowledges and agrees that during his/her employment, and for twelve (12) months after the Date of Termination, he/she has not and will not engage in, provide, or perform any Employee Services on behalf of any person or entity (or, if organized into divisions or units, any distinct division or operating unit) in the Territory that derives revenue from providing goods or services substantially similar to those which comprise the Company's Business.

The following provision replaces Section 2(f) of the Confidentiality Provisions:

F. Non-Solicitation of Customers.

Grantee acknowledges and agrees that during his/her employment, and for eighteen (18) months after the Date of Termination, Grantee has not and will not solicit Customers (as defined in Section 1(c) above) with whom he/she had Material Contact (as defined in 1(h) above) for the purpose of providing goods and/or services competitive with the Company's Business.

The following provision replaces Section 2(g) of the Confidentiality Provisions:

G. Non-Solicitation of Employees and Agents.

Grantee acknowledges and agrees that during his/her employment, and for a period of eighteen (18) months after the Date of Termination, Grantee has not and will not, whether on behalf of Grantee or others, solicit, lure or attempt to hire away any of the Company's employees or agents.

The following provision replaces Section 2(h) of the Confidentiality Provisions:

H. Non-Solicitation of Sales Agents.

Grantee acknowledges and agrees that during his/her employment, and for a period of eighteen (18) months after the Date of Termination, Grantee has not and will not, whether on behalf of Grantee or others, solicit any of the Company's Sales Agents for the purpose of disrupting their relationship with the Company and/or selling and/or facilitating the sale of products competitive with the Company's Business. For purposes of this Section 2, a "Sales Agent" is any third-party agency, and/or its representatives, with which or whom the Company has contracted for the purpose of facilitating the sale of the Company's products during the last twenty-four (24) months of Grantee's employment with the Company.

The following provision replaces Section 7 of the Confidentiality Provisions:

Amendments and Modifications. The Confidentiality Provisions and any Exhibit hereto may be amended or modified only by a writing signed by both parties hereto, which makes specific reference to the Confidentiality Provisions. However, this Section does not affect a court of competent jurisdiction or arbitrator's ability to modify the Confidentiality Provisions, as the case may be, in the event that either party initiates legal proceedings that relate in any way to the Confidentiality Provisions, including any action brought by either party seeking to enforce any provision set forth herein.

The following provision replaces Section 12 of the Confidentiality Provisions:

Language. The parties acknowledge that they have requested and are satisfied that the Confidentiality Provisions and all related documents be drawn up in the English language. Les parties aux présentes reconnaissent avoir requis que la présente entente et les documents qui y sont relatifs soient rédigés en anglais.

FRANCE

For the purpose of the provisions hereafter, the Company means the local entity in France by whom Grantee is employed.

The following provision replaces Section 1(b) of the Confidentiality Provisions:

> **"Trade Secrets"** means technical or nontechnical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, product plans, or a list of actual or potential customers or suppliers which is not commonly known by or available to the public and which information: (A) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who obtain economic value from its disclosure or use; and (B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

The following provision replaces Section 1(g) of the Confidentiality Provisions:

> **"Territory"** means the location in which the non-competition restriction will apply, hereby defined as the region(s) in France in which Grantee worked. Grantee acknowledges that the Company is licensed to do business in the Territory. Accordingly, Grantee agrees that these restrictions are reasonable and necessary to protect the Confidential Information, trade secrets, business relationships, and goodwill of the Company.

The following provision replaces Section 1(h) of the Confidentiality Provisions:

> **"Material Contact"** means contact between an employee and each Customer or potential Customer: with whom or which Grantee dealt on behalf of the Company; whose dealings with the Company were coordinated or supervised by Grantee; about whom Grantee obtained confidential information in the ordinary course of business as a result of such employee's association with the Company; and/or who receives products or services authorized by the Company, the sale or provision of which results or resulted in compensation, commissions, or earnings for Grantee within two years prior to the date of the Date of Termination.

Section 1(i) of the Confidentiality Provisions is deleted.

Section 1(j) of the Confidentiality Provisions is deleted.

The following provision replaces Section 2(d) of the Confidentiality Provisions:

> **Inventions.** Grantee will make full and prompt disclosure to the Company of all inventions, discoveries, designs, designations, developments, software, drawings, logos, sketches, models, articles, studies, reports, methods, modifications, improvements, processes, algorithms, databases, computer programs, formulae, techniques, trade secrets, graphics or images, and audio or visual works and other works of authorship (collectively "Developments"), whether or not patentable or copyrightable, that are created, made, conceived or reduced to practice by Grantee (alone or jointly with others) or under his/her direction in the course of Grantee's employment. Grantee acknowledges and agree that, to the fullest extent permitted by law, (i) all Developments shall automatically belong to, and shall be the sole property of the Company and that (ii) to the extent that any Development do not vest in the Company automatically, Grantee irrevocably hereby assign to the Company by way of present assignment, all right, title, and interest Grantee may have or may acquire in and to all Developments anywhere in the world. In particular, in accordance with the provisions of article L. 113-9 of the Intellectual Property Code, Grantee acknowledge that the intellectual property rights to any software and their documentation developed by Grantee in the course of his/her employment contract belong as a matter of law to the Company. In accordance with the provisions of article L. 611-7 of the Intellectual Property Code, Grantee further acknowledges that the inventions made within the context of his/her employment providing for an "inventive mission" which corresponds to his/her actual duties, or, as part of studies or research which have been specifically entrusted to Grantee, belong to the Company as a right ("Inventions of Mission").
>
> In accordance with the provisions of article L. 611-7 of the Intellectual Property Code, which provide that the employee is entitled to receive an additional remuneration for the Inventions of Mission, Grantee

agrees that such additional remuneration, if any, will be determined in the following manner: Grantee will be paid an additional remuneration only to the extent Grantee personally contributed to the inventive process which led to the perfection of the Invention of Mission. Such additional remuneration shall be determined by the Company, pursuant to local law, upon development of the Invention of Mission, upon patent filing of the Invention of Mission, and/or upon the granting of the patent on an Invention of Mission. In addition, after 5 years of exploitation of the Invention of Mission, the Company may decide to pay Grantee an additional award, which amount should be mutually agreed on between Grantee and the Company, by taking into consideration the economic and scientific interest of the invention of mission, the difficulties of development of the Invention of Mission, and Grantee's personal contribution. Grantee further acknowledge that for all the other inventions created either (i) in the performance of Grantee's duties, (ii) in the field of the Company's activity, or (iii) by using knowledge or technologies or Company's specific methods or information acquired by the Company, the Company may require that all rights to ownership and use of such inventions and the patents protecting such inventions be assigned to it. Grantee further undertake, in particular, to disclose to the Company any copyrightable works that he/she may create, either alone or with the assistance of a third party including notably (but without limitation) any drawings, logos, sketches, models, designs, articles, studies, reports and all documentation which are susceptible to be protected under copyright law (hereafter the "Copyrightable Works").

Grantee hereby assigns to the Company, in consideration of a lump sum already included in his/her salary as provided in his/her employment contract the exploitation rights on the Copyrightable Works including (but without limitation) the rights of reproduction on any analogical or digital media, in any form and format (whether known at the execution date of the contract or discovered in the future), of communication to the public by any process (whether known at the execution date of my employment contract or discovered in the future), of distribution, rental, loan and sale, of filing any trademark, design or model applications on whole or any part of the Copyrightable Works with the relevant authorities around the world, and of adaptation, translation and modification of the Copyrightable Works for any commercial or advertising purpose whether public or private. Media and processes shall include without limitation, any means of communication, direct or indirect, spatial or terrestrial, by satellite, cable, or over the air and any wired or wireless network including the Internet. The assignment occurs as soon as the Copyrightable Works are created and is valid for the entire world for the duration of the copyright, including any legal prorogation for whatever reason. Grantee hereby assigns and transfer to the Company all results from the use of Proprietary Information, premises or personal property ("Company Related Developments"). Grantee further undertake to execute all documents and take all additional actions as may be requested by the Company to give full and proper effect to the present assignment, whether during or after the term of his/her employment, and particularly to enter into a specific assignment agreement for each work, as soon as such work is created. To preclude any possible uncertainty, Grantee has set forth on Exhibit attached hereto a complete list of Developments that he/she has, alone or jointly with others, conceived, developed or reduced to practice prior to the commencement of his/her employment with the Company that he/she wishes to have excluded from the scope of this Agreement ("Prior Inventions"). Grantee has also listed this Exhibit all patents and patent applications in which he/she is named as an inventor, other than those which have been assigned to the Company ("Other Patent Rights"). If no such disclosure is attached, Grantee represents that there are no Prior Inventions or Other Patent Rights. If, in the course of Grantee's employment with the Company, he/she incorporates a Prior Invention into a Company product, process or machine or other work done for the Company, Grantee hereby grant to the Company a nonexclusive, royalty-free, paid-up, worldwide license (with the full right to sublicense) for the duration of the rights to make, have made, modify, use, reproduce, sell, offer for sale, publicly display and perform, import and otherwise fully exercise and exploit such Prior Invention. Notwithstanding the foregoing, Grantee will not incorporate, or permit to be incorporated, Prior Inventions in any Company-Related Development without the Company's prior written consent. Grantee will not incorporate into any Company product or otherwise deliver to the Company any open source software except as allowed pursuant to the Company's open source software policy, which is available on the Company's intranet.

Section 2(e) is re-titled as "Non-Competition and Non-Solicitation of Customers and Sales Agents."

The following Section 2(e) replaces Section 2(e), Section 2(f), and Section 2(h) of the Confidentiality Provisions:

(i) Grantee acknowledges and agrees that during his/her employment, and for six (6) months as from the date of Grantee's actual departure from the Company, he/she has not and will not, directly or indirectly, engage in, provide, or perform any Employee Services on behalf of any person or entity (or, if organized into divisions or units, any distinct division or operating unit) in the Territory.

(ii) Grantee also acknowledges and agrees that during his/her employment, and for six (6) months after the Date of Termination, Grantee has not and will not directly or indirectly solicit Customers (as defined in Paragraph 1(c) above) with whom he/she had Material Contact (as defined in 1(g) above) for the purpose of providing goods and/or services competitive with the Company's Business.

(iii) Grantee further acknowledges and agrees that during his/her employment, and for a period of six (6) months after the Date of Termination, Grantee has not and will not, directly or indirectly, whether on behalf of Grantee or others, solicit any of the Company's Sales Agents for the purpose of disrupting their relationship with the Company and/or selling and/or facilitating the sale of products competitive with the Company's Business. For purposes of this Section 2, a "Sales Agent" is any third-party agency, and/or its representatives, with which or whom the Company has contracted for the purpose of facilitating the sale of the Company's products during the last twenty-four (24) months of Grantee's employment with the Company.

(iv) In the event Grantee's employment is terminated, for any reason whatsoever, during this post-employment period of non-competition, under the condition that Grantee complies with this non-competition obligation, Grantee will receive a monthly gross indemnity as determined by the Company pursuant to local law, to be no less than thirty three percent (33%) of his/her average gross monthly salary received over the last 12 months prior to termination of employment, it being understood that this indemnity will be subject to social security contributions.

(v) It is agreed that, in any case, the Company shall be entitled, at the time of termination of the employment agreement, either to reduce the scope or the duration of the period of application of the non-competition and non-solicitation covenant, or to waive the latter, provided however that it informs Grantee thereof by registered letter with return receipt requested no later than within eight (3) days following the notification of the termination of the employment agreement and no later than Grantee's last day of effective work.

(vi) If Grantee breaches the post-employment non-competition obligation, the Company will no longer be required to pay the gross monthly indemnity and Grantee will be required to reimburse the Company for any amount that he/she may have been granted in this respect.

(vii) Given the extreme sensitiveness of the know-how and technical and commercial information to which Grantee has access in the framework of his/her functions and the extremely competitive and sensitive nature of the Company's activities, the parties expressly agree on the necessity of the non-competition and non-solicitation obligation in order to protect the Company's legitimate interests. Moreover, Grantee acknowledges that, in light of his/her training, the provision does not hinder his/her capacity to find new employment.

Section 2(f) of the Confidentiality Provisions is deleted.

Section 2(h) of the Confidentiality Provisions is deleted.

The following provision replaces Section 4 of the Confidentiality Provisions:

Notices. All notices, requests, demands and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given when delivered or seven days after mailing if mailed first class, certified mail, postage prepaid, addressed as follows:

If the Company: To the principal place of business of Company in France.

If to Grantee: To his or her last known address on file with the Company.

The following provision replaces Section 7 of the Confidentiality Provisions:

Amendments and Modifications. The Confidentiality Provisions and any Exhibit hereto may be amended or modified only by a writing signed by Grantee and the Company, which makes specific reference to the Confidentiality Provisions provided however that the covenant of Section 2(e) can be waived unilaterally by the Company under the conditions specified therein. However, this Section does not affect a court of competent jurisdiction or arbitrator's ability to modify the Confidentiality Provisions,

as the case may be, in the event that either party initiates legal proceedings that relate in any way to the Confidentiality Provisions, including any action brought by either party seeking to enforce any provision set forth herein.

The following provision replaces Section 8 of the Confidentiality Provisions:

Governing Law and Venue. The validity and effect of the Confidentiality Provisions shall be governed by and construed and enforced in accordance with the laws of France.

The following provision replaces Section 12 of the Confidentiality Provisions:

Language. The parties acknowledge that they have requested and are satisfied that the Confidentiality Provisions and all related documents be drawn up in the French language, the English version being provided for information purposes only. In the event of a contradiction between the two versions, the French version shall prevail.

GERMANY

The following provision replaces Section 1(b) of the Confidentiality Provisions:

"Trade Secrets" means technical or nontechnical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, product plans, or a list of actual or potential customers or suppliers which is not commonly known by or available to the public and which information: (A) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who obtain economic value from its disclosure or use; and (B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

The following provision replaces Section 1(h) of the Confidentiality Provisions:

"Material Contact" means a contact between an employee and each Customer or potential Customer: with whom or which Grantee dealt on behalf of the Company; whose dealings with the Company were coordinated or supervised by Grantee; about whom Grantee obtained confidential information in the ordinary course of business as a result of such employee's association with the Company; and/or who receives products or services authorized by the Company, the sale or provision of which results or resulted in compensation, commissions, or earnings for Grantee within two years prior to the date of the Date of Termination.

The following provision replaces Section 1(i) of the Confidentiality Provisions:

"Termination for Cause" or **"Terminated for Cause"** means any termination within the meaning of Section 626 German Civil Code (*Bürgerliches Gesetzbuch, BGB*).

Section 1(j) of the Confidentiality Provisions is deleted.

The following provision replaces Section 2(d) of the Confidentiality Provisions:

Inventions. Except for patentable inventions which are subject to and are dealt with in accordance with the German Act on Employee Inventions (*ArbNErfG*), all rights of works (including computer software programs, object codes, source codes and associated documentation) and of all inventions, knowledge and experience of technical and commercial nature which Grantee creates during the term of his/her employment relationship as part of his/her duties is worldwide the sole property of the Company, including the right of reproduction, distribution, sale, the grant of usage rights – also of exclusive nature - to third parties, processing and further development. To the extent legally possible, Grantee transfers and assigns these rights to the Company, alternatively Grantee grants the Company an exclusive, fully paid-up, royalty-free, world-wide license for all types of exploitation and for the entire period of protection of their respective intellectual property rights, in particular copyright. The Company is also entitled to make modifications and additions to the copyrightable works created by Grantee. Grantee waives the right to be named as the author in connection with the work. The transfer of rights is deemed fully compensated by the remuneration received under the employment relationship.

Section 2(e) is re-titled as "Post-Contractual Non-Compete Covenant, Contractual Penalty".

The following provisions replace Sections 2(e) and 2(f) of the Confidentiality Provisions:

(i) Grantee is obliged, for a period of two years after the termination of the employment, not to engage in a business which is in competition with the Company's Business. Also included are such areas of work, which are relevantly affected by the activities of Grantee under his/her employment contract.

Should the areas of activity change during the term of employment, those activities Grantee was engaged in while performing his/her working duties during the past two years shall be deemed to be included in the non-compete covenant.

(ii) Similarly, Grantee is not permitted, during this period of time, to set up or to participate in any competing enterprise as a majority shareholder or as the holder of a blocking minority within such enterprise.

(iii) Within two years after the termination of the employment relationship, Grantee is obliged not to carry out work for such clients who belonged to the customer/client list of the Company during the past two years before the termination of the employment relationship. The non-compete covenant also applies for the benefit of any businesses connected with the Company with which Grantee dealt either directly or indirectly.

(iv) This non-compete covenant applies for the Territory.

(v) For the duration of the non-compete covenant, the Company is obliged to pay Grantee compensation in the amount of the legal minimum compensation. The compensation is to be paid in monthly instalments at the end of each month.

In case the violation of the non-competition clause consists in a continuing obligation, in particular in the conclusion of an employment, service, agency or consultancy agreement with a company, which is in competition with the Company or in case Grantee maintains a capital interest in such, the contractual penalty shall accrue for each new month of activity or interest ("continuing violation").

(vi) Every time Grantee breaches the obligations described under Sections 2(e)(i) to 2(e)(iv), he/she shall pay a contractual penalty in the amount of one monthly gross salary. The amount of the contractual penalty depends on the monthly gross base salary Grantee last received under the employment contract.

(vi) During the period of breach of the non-competition clause, the Company's obligation to pay compensation according to Section 2(e)(v) shall be suspended.

(vii) The Company's right to further damages shall not be affected.

Section 2(f) of the Confidentiality Provisions is deleted.

Section 2(h) of the Confidentiality Provisions is deleted.

The following provision replaces Section 7 of the Confidentiality Provisions:

Amendments and Modifications. Any changes of or amendments to the Confidentiality Provisions and any Exhibit, including this provision, must be made in writing in order to become legally effective. This shall not apply to individual agreements.

ITALY

For the purpose of the provisions hereafter, the "Company" means the local entity in Italy by whom Grantee is employed.

The following provision replaces Section 1(b) of the Confidentiality Provisions:

"Trade Secrets" means technical or nontechnical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, product plans, or a list of actual or potential customers or suppliers which is not commonly known by or available to the public and which information: (A) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who obtain economic value from its disclosure or use; and (B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

The following provision replaces Section 1(g) of the Confidentiality Provisions:

"**Territory**" means the location in which the non-competition restriction will apply, hereby defined as the region(s) in Italy in which Grantee worked. Grantee acknowledges that the Company is licensed to do business in the Territory. Accordingly, Grantee agrees that these restrictions are reasonable and necessary to protect the Confidential Information, trade secrets, business relationships, and goodwill of the Company.

The duration of the obligations indicated under Section 2(e) through (h) of the Confidentiality Provisions is all meant to be for a period of twelve (12) months, and Grantee acknowledges and agrees that for twelve (12) months after the Date of Termination his/her will be bound to such obligations.

The following provision replaces Section 1(h) of the Confidentiality Provisions:

"Material Contact" means contact between an employee and each Customer or potential Customer: with whom or which Grantee dealt on behalf of the Company; whose dealings with the Company were coordinated or supervised by Grantee; about whom Grantee obtained confidential information in the ordinary course of business as a result of such employee's association with the Company; and/or who receives products or services authorized by the Company, the sale or provision of which results or resulted in compensation, commissions, or earnings for Grantee within two years prior to the date of the Date of Termination.

The following provision is added to Section 1(i) of the Confidentiality Provisions:

"**Termination for Cause**" or "**Terminated for Cause**" means any disciplinary termination issued pursuant to Art. 7, Act no. 300/1970, for a disciplinary reason including but not limited to involuntary termination of Grantee by the Company for the reasons listed under Section 1(I) from letter (i) and (v).

The following provision replaces Section 2(d) of the Confidentiality Provisions:

Inventions Retained and Licensed. Attached hereto, as **Schedule 1**, is a list describing all inventions, original works of authorship, developments, improvements, and trade secrets which were made by the Grantee prior to the Grantee's employment with the Company (collectively referred to as "**Prior Inventions**"), which belong to the Grantee, which relate to the Company's proposed business, products or research and development, and which are not assigned to the Company hereunder; or, if **Schedule 1** is left blank, the Grantee hereby represents that there are no such Prior Inventions. If in the course of the Grantee's employment with the Company, the Grantee incorporates into a Company product, process or machine a Prior Invention owned by the Grantee or in which the Grantee has an interest, the Company is hereby granted and shall have a nonexclusive, royalty-free, irrevocable, perpetual, worldwide license to make, have made, modify, use and sell such Prior Invention as part of or in connection with such product, process or machine.

Assignment of Inventions. Grantee will make full and prompt disclosure to the Company of all inventions, discoveries, designs, designations, developments, software, drawings, logos, sketches, models, articles, studies, reports, methods, modifications, improvements, processes, algorithms, databases, computer programs, formulae, techniques, trade secrets, graphics or images, and audio or visual works and other works of authorship (collectively "Developments"), whether or not patentable or copyrightable, that are created, made, conceived or reduced to practice by Grantee (alone or jointly with others) or under his/her direction in the course of Grantee's employment. Grantee acknowledges and agree that, to the fullest extent permitted by law, (i) all Developments shall automatically belong to, and shall be the sole property of the Company and that (ii) to the extent that any Development do not vest in the Company automatically, Grantee irrevocably hereby assign to the Company by way of present assignment, all right, title, and interest Grantee may have or may acquire in and to all Developments anywhere in the world. In

particular, in accordance with the provisions of articles 12-bis and 12-ter of the Copyright Law no. 633/1941, Grantee acknowledges that the copyrights to any software, database and their documentation and to any industrial design developed by Grantee in the course of his/her employment contract belong as a matter of law to the Company. Furthermore, in accordance with article 64(1) of the Legislative Decree no. 30/2005 (Industrial Property Code), Grantee further acknowledges that the inventions made within the context of his/her employment providing for an "inventive activity" which corresponds to his/her actual duties, or, as part of studies or research which have been specifically entrusted to Grantee, and for which he/her is remunerated, belong to the Company as a right.

In accordance with article 64(2) of the Industrial Property Code, which provides that the employee is entitled to receive an additional remuneration for the invention made during the performance of its employment duties but outside the scope of article 64(1), Grantee agrees that such additional remuneration will be due provided that the Company or its assignees patent the invention or use it under a secrecy regime and will be determined pursuant to applicable law, taking into consideration the value of the invention, the duties and compensation of the employee and the contribution/assistance received by the Company in developing the invention.

Grantee further acknowledges that for all the other inventions created either (i) in the field of the Company's activity, or (ii) by using knowledge or technologies or Company's specific methods or information acquired by the Company, the Company may require that all rights to ownership and use of such inventions and the patents protecting such inventions be assigned to it pursuant to article 64(3) of the Industrial Property Code and upon the payment of a consideration to be agreed between the parties taking into consideration the help and support that the employee received from the Company in developing the invention.

Grantee further undertakes to execute all documents and take all additional actions as may be requested by the Company to give full and proper effect to the present assignment, whether during or after the term of his/her employment.

The following change is made to Sections 2(f), 2(g), and 2(h): The phrase "twenty-four (24) months after the Date of Termination" is replaced with "twelve (12) months after the Date of Termination".

The following provision replaces Section 2(i):

Injunctive Relief. Grantee acknowledges that if he/she breaches or threatens to breach any of the provisions of this Section 2, his/her actions may cause irreparable harm and damage to the Company. Accordingly, if Grantee breaches or threatens to breach any of the provisions of this Section 2, the Company shall be entitled to seek injunctive relief (*provvedimento cautelare*) as well as a Court's order for specific performance, in addition to any other rights or remedies the Company may have.

The following new Sections 2(j) through (m) are added after Section 2(i) of the Confidentiality Provisions:

J. **Consideration**. As consideration for the post termination non-competition and non- solicitation obligations under Section 2 ((e), (f), (g), and (h)) under the condition that Grantee complies with such obligations, Grantee will receive a monthly gross indemnity as determined by the Company pursuant to local law, to be no less than thirty percent (30%) of his/her fixed gross monthly salary received the last full month of employment (excluding any variable or bonus pay), multiplied for the number of months of duration of the obligations under Section 2 ((e), (f), (g), and (h)), it being understood that this indemnity will be subject to social security contributions.

K. **Reduction In Scope Or Withdrawal**. It is agreed that, in any case, the Company shall be entitled, at the time of termination of the employment agreement, either to reduce the scope or the duration of the period of application of the non-competition and non-solicitation covenant, or to waive the latter, provided however that it informs Grantee thereof by registered letter with return receipt requested no later than within three (3) days following the notification of the termination of the employment agreement and no later than Grantee's last day of effective work. In such an event, Grantee will receive from the Company an indemnity equal to one gross fixed monthly salary (as resulting at the date of termination).

L. **Damages.** If Grantee breaches the post-employment non-competition and non-solicitation obligations, the Company will no longer be required to pay the gross monthly indemnity provided under

Section 2(j) and Grantee will be required to reimburse the Company for any amount that he/she may have been granted in this respect as well as may be required to pay any further damages or be requested to cease any activity in breach of these obligations through an injunctive relief per Section 2(i).

M. **Legitimacy.** Given the extreme sensitiveness of the know-how and technical and commercial information to which Grantee has access in the framework of his/her functions and the extremely competitive and sensitive nature of the Company's activities, the parties expressly agree on the necessity of the non-competition and non-solicitation obligation in order to protect the Company's legitimate interests. Moreover, Grantee acknowledges that, in light of his/her training, the provision does not hinder his/her capacity to find new employment.

MEXICO

The following provision replaces Section 1(b) of the Confidentiality Provisions:

"Trade Secrets" has the meaning set forth under Article 82 of the Mexican Industrial Property Law.

The following provision replaces Section 1(d) of the Confidentiality Provisions:

"Company" means Acuity Brands, Inc., along with its Subsidiaries or other Affiliates, including but not limited to Acuity Brands Lighting de Mexico S. de R.L. de C.V., and Castlight de Mexico SA de CV, with the understanding that the sole and exclusive employer of Grantee is the Mexican legal entity by whom he/she is employed.

The following provision replaces Section 1(h) of the Confidentiality Provisions:

"Material Contact" means contact between an employee and each Customer or potential Customer: with whom or which Grantee dealt on behalf of the Company; whose dealings with the Company were coordinated or supervised by Grantee; about whom Grantee obtained confidential information in the ordinary course of business as a result of such employee's association with the Company; and/or who receives products or services authorized by the Company, the sale or provision of which results or resulted in compensation, commissions, or earnings for Grantee within two (2) years prior to the date of the Date of Termination.

Section 1(i) **("Termination for Cause" or "Terminated for Cause"**) of the Confidentiality Provisions is hereby deleted.

The following provision shall be added to Section 2(b), at the end of first paragraph:

"Furthermore, Grantee expressly agrees and acknowledges that all Confidential Information and Trade Secrets, constitutes (i) an industrial secret under the Mexican Industrial Property Law and (ii) an industrial and trade secret under Articles 213 of the Criminal Code of the Federal District of Mexico, 210 and 211 of the Federal Criminal Code."

The following provision shall be added to Section 2(b), at the end of the second paragraph:

"Grantee agrees to keep the Company free and clear from any claim or lawsuit that may be brought up against it by Grantee's former employers or third parties for alleged or actual breach of confidentiality or trade secrets information obligations undertaken by Grantee during the course of his/her employment with former employers or during the course of former relationships with third parties. Likewise, Grantee will be responsible for paying any damages that he/she may cause to the Company due the breach of such confidentiality or trade secrets information obligations assumed with former employers and/or with third parties."

The following provision shall be added to Section 2(d) of the Confidentiality Provisions:

"Grantee acknowledges that any Invention he/she may conceive or reduce to practice during his/her employment with the Company and that relate to the Company's current or future business are and shall be the Company's sole and exclusive property and that Grantee shall not have any patrimonial or other ownership rights in the work developed, expressly agreeing that he/she will not be entitled to the payment

of royalties or any other right derived from such work, as they are already included in Grantee's compensation referred to in his/her employment contract with the Company. In addition, Grantee expressly authorizes the modification, adaptation, transport, translation, representation, exhibition and any use, total or partial, of the developed work, with the sole exception of his/her non-economic or moral rights. Grantee will take all necessary steps to assign any property right to the Company at the Company's expense, but without further compensation to Grantee."

The following provision replaces Section 2(e) of the Confidentiality Provisions:

Non-Competition. Grantee acknowledges and agrees that during his/her employment, and for twelve (12) months after the Date of Termination, he/she has not and will not, directly or indirectly, engage in, provide, or perform any Employee Services on behalf of any person or entity (or, if organized into divisions or units, any distinct division or operating unit) in the Territory that derives revenue from providing goods or services substantially similar to those which comprise the Company's Business.

The following provision replaced Section 2(i) of the Confidentiality Provisions:

Injunctive Relief. Grantee acknowledges that if he/she breaches or threatens to breach any of the provisions of this Section 2, his/her actions may cause irreparable harm and damage to the Company which could not be compensated in damages. Accordingly, if Grantee breaches or threatens to breach any of the provisions of this Section 2, the Company shall be entitled to seek injunctive relief, in addition to any other rights or remedies the Company may have. The existence of any claim or cause of action by Grantee against the Company, whether predicated on the Confidentiality Provisions or otherwise, shall not constitute a defense to the enforcement by the Company of Grantee's agreements under this Section 2.

Grantee accepts that if he/she breaches any of the obligations set out in Sections 2(a), (b), (c), (d) related to the disclosure of Confidential Information, he/she shall be liable under applicable laws, including criminal liability referred to in Article 223(IV), (V), and (VI) of the Industrial Property Law.

The breach of any of the obligations assumed by virtue of Section 2(e), (f), (g), and (h), during the term of the employment relationship between the parties, will be considered disobedience to work, and therefore, a cause for termination of the employment relationship of Grantee, without any liability for the Company, whatsoever. Both parties agree that if Grantee breaches any of the obligations, terms or conditions set out in Section 2 (e), (f), (g), and (h), after the termination of his/her employment relationship with the Company, Grantee:

(a) will have no right to the Payment referred in Section 2(j) of Exhibit C, as modified by these special provisions, and must then repay to the Company the total amount of the payments made in accordance with Section 2(j)(ii) after the termination of the employment relationship between the parties, if such breach occurs or is discovered after any Payments (as defined below) have been made.

(b) In addition, he/she must pay to the Company liquidated damages equivalent to fifty percent (50%) of the gross amount paid to Grantee in consideration for the non-competition clause herein. The payment of liquidated damages shall be in addition to any other legal remedies that might be available to the Company, including moral damages, and nothing in this Section shall operate so as to prevent or limit the Company from seeking any other relief, including equitable or injunctive relief.

The following provisions are added as Section 2(j) to the Confidentiality Provisions:

Consideration for Non-Competition and Non-Solicitation Obligations.

(i) During the effective term of the employment relationship between the Company and Grantee, the latter will not be entitled to any additional remuneration for the obligations assumed herein, but the payment of the monthly gross base salary and benefits, as agreed upon in the individual employment agreement executed between the Company and Grantee, since the obligations assumed herein represent orders given by the Company, as the employer, and are part of the obligations related to the work for which Grantee is hired.

(ii) As fair and equal consideration for the execution of the obligations assumed under Sections 2(e), (f), (g), and (h) of this Exhibit C, upon termination of the labor relationship between the Company and Grantee, the latter hereby accepts that the Company will pay him/her a gross amount equal to fifty percent (50%) of his/her last annual gross base salary as of the termination date of his/her employment relationship with the Company (without considering other labor benefits paid, whether in paid in cash or in kind, such as a Christmas bonus, vacation premium, and without considering any compensation derived from the 2012 Omnibus Stock Incentive Compensation Plan) (hereinafter the "Payment"), subject to the corresponding applicable tax withholdings. Such payment will be paid by the Company to Grantee proportionally in monthly installments according to the dates established by the Company.

(iii) This Payment shall be considered as full consideration in exchange for the strict compliance with the future obligations that Grantee assumes upon termination of his/her employment relationship with the Company, pursuant to the terms of these Confidentiality Provisions. Both parties agree that the Company shall determine whether Grantee has fully complied with the Confidentiality Provision at its sole reasonable discretion. Grantee expressly acknowledges that the Payment of the consideration after the term of the employment relationship, referred in this Section, is independent from the employment relationship he/she has with the Company, and that the payments made after the term of the employment relationship between the Company and Grantee will not imply in any manner whatsoever, the continuation of such employment relationship or the beginning of a new labor relationship between the Company and Grantee.

The following provision replaces Section 7 of the Confidentiality Provisions:

Amendments and Modifications. The Confidentiality Provisions and any Exhibit hereto may be amended or modified only by a writing signed by both parties hereto, which makes specific reference to the Confidentiality Provisions. However, this Section does not affect a court of competent jurisdiction or arbitrator`s ability to modify the Confidentiality Provisions as applicable under local law in the event that either party initiates legal proceedings that relate in any way to this Confidentiality Provisions, including any action brought by either party seeking to enforce any provision set forth herein.

Both parties expressly acknowledge and agree that the Company reserves the right, at its sole discretion, to reduce or waive the enforcement of the restricted period, as referred to in Section 2 above, and the Company may relieve at any time Grantee from his/her obligations under this Agreement. If the Company, at its sole discretion, decides to waive or reduce the restricted period of the obligations assumed in Section 2(e), (f), (g), and (h), for any reason, it will inform Grantee in writing, with the understanding that the Company will not be responsible to pay or make further payments of any compensation, as set forth in Section 2(j)(ii), for the entire restricted period or the remaining restricted period, as applicable, at the time the Company waives enforcement. If the Company waives the entire enforcement of the restrictive period established after the term of the labor relationship, no compensation will be paid to Grantee under this Agreement, and Grantee acknowledges that the Company will not be liable as a consequence of such non-payment.

The following provision replaces Section 8 of the Confidentiality Provisions:

Governing Law and Venue. The validity and effect of the Confidentiality Provisions shall be governed by and construed and enforced in accordance with the laws of United Mexican States, without regard to conflicts of law. Any and all disputes relating to, concerning or arising from the Confidentiality Provisions, or relating to, concerning or arising from the relationship between the parties evidenced by the Confidentiality Provisions, shall be brought and heard exclusively in competent courts of Mexico City, expressly waiving any other jurisdiction that may correspond to them by reason of their present or future domiciles or for any other cause.

NETHERLANDS

The following provision replaces Section 1(b) of the Confidentiality Provisions:

"Trade Secrets" has the meaning set forth under applicable local law.

The following provision replaces Section 1(h) of the Confidentiality Provisions:

"Material Contact" shall include contacts between an employee and each Customer or potential Customer: with whom or which Grantee dealt on behalf of the Company; whose dealings with the Company were coordinated or supervised by Grantee; about whom Grantee obtained confidential information in the ordinary course of business as a result of such employee's association with the Company; and/or who receives products or services authorized by the Company, the sale or provision of which results or resulted in compensation, commissions, or earnings for Grantee within two years prior to the date of the Date of Termination.

The following provision replaces Section 1(i) of the Confidentiality Provisions:

"Termination for Cause" or "Terminated for Cause" shall entail any reasonable grounds the Company may have within the meaning of article 7:669 paragraph 3 subsection (d), (e), (g), and (i) of the Dutch Civil Code and article 7:678 of the Dutch Civil Code. Examples of this involuntary termination of Grantee by the Company are the following reasons:

i. If termination shall have been the result of an act or acts by Grantee which constitute an indictable offense, a felony or any crime involving dishonesty, theft, fraud or moral turpitude;

ii. If termination shall have been the result of an act or acts by Grantee which are determined, in the good faith judgment of the Company, to be in violation of written policies of the Company;

iii. If termination shall have been the result of an act or acts of dishonesty by Grantee resulting or intended to result directly or indirectly in gain or personal enrichment to Grantee at the expense of the Company;

iv. Upon the willful and continued failure by Grantee to substantially perform the duties assigned to Grantee (other than any such failure resulting from incapacity due to mental or physical illness constituting a Disability), after a demand in writing for substantial performance of such duties is delivered by the Company, which demand specifically identifies the manner in which the Company believes that Grantee has not substantially performed his or her duties; or

v. If termination shall have been the result of the unauthorized disclosure by Grantee of the Company's Confidential Information or violation of any other provision of the Confidentiality Provisions.

The following change is made in Section 2(e) of the Confidentiality Provisions:

References to "Confidential Severance Agreement and Release" will be replaced by "settlement agreement".

The following provision replaces Section 2(i) of the Confidentiality Provisions:

Injunctive Relief. Grantee acknowledges that if he/she breaches or threatens to breach any of the provisions of this Section 2, his/her actions may cause irreparable harm and damage to the Company which could not be compensated in damages. Accordingly, if Grantee breaches or threatens to breach any of the provisions of this Section 2, the Company shall be entitled to seek injunctive relief, instead of any other rights or remedies the Company may have.

The following provision replaces Section 5 of the Confidentiality Provisions:

Provisions Severable. If any provision or covenant, or any part thereof, contained in the Confidentiality Provisions is held by any court to be invalid, illegal, or unenforceable, either in whole or in part, such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of the remaining provisions or covenants, or any part thereof, in the Confidentiality Provisions, all of which shall remain in full force and effect. Each and every provision, paragraph and subparagraph of Section 2 above is severable from the other provisions, paragraphs and subparagraphs and constitutes a separate and distinct covenant.

The restrictive covenants set forth in Section 2 of the Confidentiality Provisions represent the entire agreement of the parties with respect to the subject matter thereof and supersede any prior agreement with

respect thereto; provided, however, that the restrictive covenants described in this Exhibit C shall not supersede those set forth in either: (a) any Executive Severance Agreement applicable to Grantee, if any, (b) any Confidentiality, Inventions and Non-Solicitation Agreement to which Grantee is a party, if any, or (c) any restrictive covenants to which Grantee is a party under any employment agreement or offer letter, if any.

The following provision replaces Section 7 of the Confidentiality Provisions:

Amendments and Modifications. The Confidentiality Provisions and any Exhibit hereto may be amended or modified only by a writing signed by both parties hereto, which makes specific reference to the Confidentiality Provisions. However, this Section does not affect a court of competent jurisdiction or arbitrator`s ability to modify the Confidentiality Provisions, in the event that either party initiates legal proceedings that relate in any way to this Confidentiality Provisions, including any action brought by either party seeking to enforce any provision set forth herein.

The following provision replaces Section 8 of the Confidentiality Provisions:

Governing Law and Venue. The validity and effect of the Confidentiality Provisions shall be governed by and construed and enforced in accordance with applicable local law.

UNITED KINGDOM

The following provision replaces Section 1(b) of the Confidentiality Provisions:

"Trade Secrets" means information which meets all of the following requirements:

(a) it is secret in the sense that it is not, as a body or in the precise configuration and assembly of its components, generally known among or readily accessible to persons within the circles that normally deal with the kind of information in question;

(b) it has commercial value because it is secret; and

(c) it has been subject to reasonable steps under the circumstances, by the person lawfully in control of the information, to keep it secret.

The following provision replaces Section 1(c) of the Confidentiality Provisions:

"Customers" means those entities and/or individuals which, within the twelve month period preceding the Date of Termination (as that term is defined in Restricted Stock Unit Agreement): (i) Grantee had material contact on behalf of the Company; (ii) about whom Grantee acquired, directly or indirectly, Confidential Information or Trade Secrets as a result of his/her employment with the Company; and/or (iii) Grantee exercised oversight or responsibility of subordinates who engaged in Material Contact on behalf of the Company. Additionally, "Customers" references only those entities and/or individuals with whom the Company currently has a business relationship, or with whom it expended resources to have or resume the same during the twelve-month period referenced herein.

The following provision replaces Section 1(h) of the Confidentiality Provisions:

"Material Contact" means material contact between an employee and each Customer or potential Customer: with whom or which Grantee dealt on behalf of the Company; whose dealings with the Company were coordinated or supervised by Grantee; about whom Grantee obtained confidential information in the ordinary course of business as a result of such employee's association with the Company; and/or who receives products or services authorized by the Company, the sale or provision of which results or resulted in compensation, commissions, or earnings for Grantee within two years prior to the date of the Date of Termination.

Section 1(i) ("Termination for Cause" or "Terminated for Cause") of the Confidentiality Provisions is hereby deleted.

The following provision replaces Section 1(j) of the Confidentiality Provisions:

"Inventions" and "Intellectual Property" The term "Invention" means contributions, discoveries, improvements, ideas, designs, designations, developments, methods, modifications, improvements, processes, algorithms, databases, computer programs, formulae, techniques, trade secrets, graphics or images, and audio or visual works, written text, software, code, and other works of authorship, whether or not patentable or copyrightable, whether or not recorded in any medium and: (i) which relate directly to the business of the Company, or (ii) which result from any work performed by Grantee or by Grantee's fellow employees for the Company, or (iii) for which equipment, supplies, facilities, Confidential Information or Trade Secrets of the Company are used, or (iv) which is developed on the Company's time. The term "Intellectual Property" means all patents, rights in inventions, supplementary protection certificates, utility models, rights in designs, trademarks, service marks, trade and business names, logos, get up and trade dress and all associated goodwill, rights to sue for passing off and/or for unfair competition, copyright, moral rights and related rights, rights in computer software, rights in databases, topography rights, domain names, rights in information (including know-how and trade secrets) and the right to use, and protect the confidentiality of, confidential information, image rights, rights of personality, and all other similar or equivalent rights subsisting now or in the future in any part of the world, in each case whether registered or unregistered and including all applications for, and renewals or extensions of, and rights to claim priority from, such rights for their full term and the right to sue for damages for past and current infringement in respect of any of the same.

The following provision replaces Section 2(d) of the Confidentiality Provisions:

Inventions. Grantee does hereby assign and transfer to the Company and its successors and assigns the entire right, title and interest in any Invention which is or was made or conceived, either solely or jointly with others, during his/her employment with the Company, including after the Date of Termination. To the extent that any Intellectual Property which is or was created or conceived, either solely or jointly with others, during his/her employment with the Company does not vest in the Company automatically and/or pending any assignment of such Intellectual Property, Grantee shall hold such Intellectual Property on trust for the Company. Grantee hereby irrevocably and unconditionally waives all claims to any moral rights or other special rights which it may have or accrue in any Inventions or Intellectual Property. Grantee attests that he/she has disclosed (or promptly will disclose, if after the Date of Termination) to the Company all Inventions. Grantee will, if requested, promptly execute and deliver to the Company a specific assignment of title for any such Invention or Intellectual Property right and will at the expense of the Company, take all reasonably required action by the Company to patent, copyright or otherwise protect the Invention.

The following provision replaces Section 2(e) of the Confidentiality Provisions:

Non-Competition. Grantee acknowledges and agrees that during his/her employment, and for twelve (12) months after the Date of Termination, he/she has not and will not, directly or indirectly, in competition with the Company, engage in, provide, or perform any Employee Services on behalf of any person or entity (or, if organized into divisions or units, any distinct division or operating unit) in the Territory that derives revenue from providing goods or services substantially similar to those which comprise the Company's Business.

The following provision replaces Section 2(f) of the Confidentiality Provisions:

Non-Solicitation of Customers. Grantee acknowledges and agrees that during his/her employment, and for twelve (12) months after the Date of Termination, Grantee has not and will not directly or indirectly solicit Customers (as defined in Section 1(c) above) with whom he/she had Material Contact (as defined above) for the purpose of providing goods and/or services competitive with the Company's Business with which Grantee was materially concerned in the period of twelve (12) months prior to the Date of Termination.

The following provision replaces Section 2(g) of the Confidentiality Provisions:

Non-Solicitation of Employees and Agents. Grantee acknowledges and agrees that during his/her employment, and for a period of twelve (12) months after the Date of Termination, Grantee has not and will not, directly or indirectly, whether on behalf of Grantee or others, solicit, lure or attempt to hire away any of the Company's employees or agents with whom Grantee has material contact or managed in a direct line management capacity in the period of twelve (12) months prior to the Date of Termination or

who had Material Contact with Customers in performing his/her duties of employment with the Company.

The following provision replaces Section 2(h) of the Confidentiality Provisions:

Non-Solicitation of Sales Agents. Grantee acknowledges and agrees that during his/her employment, and for a period of twelve (12) months after the Date of Termination, Grantee has not and will not, directly or indirectly, whether on behalf of Grantee or others, solicit any of the Company's Sales Agents for the purpose of disrupting their relationship with the Company and/or selling and/or facilitating the sale of products competitive with the Company's Business with which Grantee was materially concerned in the period of twelve (12) months prior to the Date of Termination. For purposes of this Section 2, a "Sales Agent" is any third-party agency, and/or its representatives, with which or whom the Company has contracted for the purpose of facilitating the sale of the Company's products during the last twelve (12) months of Grantee's employment with the Company and with whom Grantee had material contact or responsibility in his capacity as an employee of the Company during that period.

The following provision replaces Section 7 of the Confidentiality Provisions:

Amendments and Modifications. The Confidentiality Provisions and any Exhibit hereto may be amended or modified only by a writing signed by both parties hereto, which makes specific reference to the Confidentiality Provisions. However, this Section does not affect a court of competent jurisdiction or arbitrator`s ability to modify the Confidentiality Provisions in the event that either party initiates legal proceedings that relate in any way to this Confidentiality Provisions, including any action brought by either party seeking to enforce any provision set forth herein.

The following provision replaces Section 8 of the Confidentiality Provisions:

Governing Law and Venue. The validity and effect of the Confidentiality Provisions shall be governed by and construed and enforced in accordance with the laws of England and Wales. Any and all disputes relating to, concerning or arising from the Confidentiality Provisions, or relating to, concerning or arising from the relationship between the parties evidenced by the Confidentiality Provisions, shall be brought and heard exclusively in the Courts of England and Wales. Each of the parties hereby represents and agrees that such party is subject to the personal jurisdiction of said courts; hereby irrevocably consents to the jurisdiction of such courts in any legal or equitable proceedings related to, concerning or arising from such dispute, and waives, to the fullest extent permitted by law, any objection which such party may now or hereafter have that the laying of the venue of any legal or equitable proceedings related to, concerning or arising from such dispute which is brought in such courts is improper or that such proceedings have been brought in an inconvenient forum.

The following provisions are deleted in their entirety: Sections 10 **("Tender Back Provision"**) and Section 11 **("Tolling Period"**).

A following new Section 13 is inserted as follows:

Subsidiaries. The provisions of Sections 2(e) through Section 2(h) shall only apply in respect of those subsidiaries to whom Grantee provided his services, for whom he was responsible or with whom he was otherwise materially concerned in the period of twelve (12) months prior to the Date of Termination. The obligations under those provisions shall, with respect to each subsidiary, constitute a distinct and separate covenant and the invalidity or unenforceability of any such covenant shall not affect the validity or enforceability of the covenants in favor of any other Company. In relation to each subsidiary referred to in this Section 13, the Company contracts as trustee and agent for the benefit of each such subsidiary.

SPECIAL TERMS AND CONDITIONS EXHIBIT TO THE CONFIDENTIALITY, INVENTIONS, NON-SOLICITATION AND NON-COMPETITION PROVISIONS FOR GRANTEES IN THE U.S.

This Appendix includes additional state-specific terms and conditions that apply to Grantees in states listed below with respect to the Confidentiality, Inventions, Non-Solicitation and Non-Competition Provisions (the "Confidentiality Provisions"). This Appendix is part of the Confidentiality Provisions and contains terms and conditions material to Grantee's rights and obligations under the Confidentiality Provisions. Unless otherwise provided below, capitalized terms used but not defined herein shall have the same meanings assigned to them in the Plan and the Confidentiality Provisions. For the avoidance of doubt, this Appendix applies only to Grantees who are Employees at the time of the Termination.

FOR ALL GRANTEES IN THE US

With respect to Grantees who are not supervisors for the purposes of the National Labor Relations Act, nothing contained in the Confidentiality Provisions, in any way, restricts or impedes Grantee from exercising Grantee's rights under Section 7 of the National Labor Relations Act (such protected rights include assisting coworkers or former coworkers with workplace issues concerning their employer, communicating with others including a union and the NLRB, about their employment, or discussing the terms and conditions of employment, including, but not limited to, wages or salary, benefits, severance, the terms of this Agreement, job responsibilities and vacation, with coworkers or union representatives).

Nothing in this Agreement limits any Grantee from testifying truthfully in any legal proceeding, including, but not limited to responding to any inquiries made by the EEOC or any government agency; from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Grantee has reason to believe is unlawful; or from disclosing factual information related to an administrative claim or civil action concerning sexual assault, sexual harassment, workplace harassment or discrimination, failure to prevent an act of workplace harassment or discrimination, or an act of retaliation against a person for reporting or opposing harassment or discrimination. Grantee may respond accurately and fully to any question or request for information when required to do so by law.

Further, nothing in this Agreement limits any Grantee's rights to: (i) file a charge (including a challenge to the validity of this Agreement) with, communicate with, or participate in an investigation or proceeding conducted by the U.S. Equal Employment Opportunity Commission ("EEOC"), the National Labor Relations Board ("NLRB"), or any other similar federal, state, or local government office, official, or agency; (ii) testify in an administrative, legislative, or judicial proceeding concerning alleged criminal conduct or alleged sexual harassment on the part of any other party, or on the part of the agents or employees of another party, when the person testifying has been required or requested to attend the proceeding pursuant to a court order, subpoena, or written request from an administrative agency or legislature; or (iii) provide information to the U.S. Securities and Exchange Commission, EEOC, or any other regulatory or enforcement agency or collect rewards under a whistleblower program.

Further, to the extent that any Grantee does not meet the compensation threshold required for a post-termination covenant to be enforceable under applicable state law, either at the time the Agreement is entered into *or* at the time of enforcement, then, to the extent required by applicable state law, Section 2(E)(Non-Competition), Section 2(F)(Non-Solicitation of Customers), Section 2(G) Non-Solicitation of Employees and Agents, or Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions shall not apply to any such Grantee.

Grantee is advised to consult with an attorney of Grantee's own choosing and at Grantee's own cost before signing this Agreement.

CALIFORNIA

Section 2(E)(Non-Competition) and Section 2(F)(Non-Solicitation of Customers) of the Confidentiality Provisions are deleted. However, any conduct relating to the solicitation of Company's customers or employees that involves the misappropriation of the Company's trade secret information, such as its protected customer information, will remain prohibited conduct at all times.

The following provision replaces Section 2(G) of the Confidentiality Provisions:

Non-Solicitation of Employees and Agents. Grantee acknowledges and agrees that during his/her employment, and for a period of twelve (12) months after the Date of Termination, Grantee has not and will not, directly or indirectly, whether on behalf of Grantee or others, solicit, lure or attempt to hire away any of the Company's employees or agents with whom Grantee has material contact or managed in a direct line management capacity in the period of twelve (12) months prior to the Date of Termination or who had Material Contact with Customers in performing his/her duties of employment with the Company.

The following provision replaces Section 2(H) of the Confidentiality Provisions:

H. Non-Solicitation of Sales Agents.

Grantee acknowledges and agrees that during his/her employment, and for a period of twelve (12) months after the Date of Termination, Grantee has not and will not, whether on behalf of Grantee or others, solicit any of the Company's Sales Agents for the purpose of disrupting their relationship with the Company and/or selling and/or facilitating the sale of products competitive with the Company's Business. For purposes of this Section 2, a "Sales Agent" is any third-party agency, and/or its representatives, with which or whom the Company has contracted for the purpose of facilitating the sale of the Company's products during the last twelve (12) months of Grantee's employment with the Company.

COLORADO

If Grantee: (i) is not an officer, executive or management employee, or an employee who constitutes professional staff to executive and management personnel or (ii) does not meet the "highly compensated worker"[1] threshold either at the time the Agreement is entered into *or* at the time of enforcement, then: Section 2(E)(Non-Competition) shall not apply.

If Grantee: (i) is not an officer, executive or management employee, or an employee who constitutes professional staff to executive and management personnel or (ii) does not meet 60% of the "highly compensated worker" ("Non-Solicitation Compensation Threshold") threshold either at the time the Agreement is entered into *or* at the time of enforcement, then: Section 2(F)(Non-Solicitation of Customers), Section 2(G) Non-Solicitation of Employees and Agents, and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions shall not apply. If Grantee: (i) is an officer, executive or management employee, or an employee who constitutes professional staff to executive and management personnel and (ii) meets the Non-Solicitation Compensation Threshold, both at the time the Agreement is entered into *and* at the time of enforcement then:

The following provision replaces Section 2(F) of the Confidentiality Provisions:

> **Non-Solicitation of Customers.** Grantee acknowledges and agrees that during his/her employment, and for twelve (12) months after the Date of Termination, Grantee has not and will not directly or indirectly solicit Customers (as defined in Section 1(c) above) with whom he/she had Material Contact (as defined above) for the purpose of providing goods and/or services competitive with the Company's Business with which Grantee was materially concerned in the period of twelve (12) months prior to the Date of Termination.

The following provision replaces Section 2(G) of the Confidentiality Provisions:

> **Non-Solicitation of Employees and Agents.** Grantee acknowledges and agrees that during his/her employment, and for a period of twelve (12) months after the Date of Termination, Grantee has not and will not, directly or indirectly, whether on behalf of Grantee or others, solicit, lure or attempt to hire away any of the Company's employees or agents with whom Grantee has material contact or managed in a direct line management capacity in the period of twelve (12) months prior to the Date of Termination or who had Material Contact with Customers in performing his/her duties of employment with the Company.

Grantee stipulates that the obligations in Section 2(E)(Non-Competition), Section 2(F)(Non-Solicitation of Customers), Section 2(G) Non-Solicitation of Employees and Agents, and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions are reasonable and necessary for the protection of trade secrets within the meaning § 8-2-113(2)(b) (the "Colorado Noncompete Act") and that the Company has provided the Grantee separate notice of this Agreement at least 14 days before the effective date of this Agreement.

[1] The highly compensated threshold for 2023 is $112,500 for non-competes and 60% of the salary requirement for a highly compensated employee (currently $67,500) for non-solicits.

Nothing in the Agreement prohibits disclosure of information that arises from the Grantee's general training, knowledge, skill, or experience, whether gained on the job or otherwise, information that is readily ascertainable to the public, or information that employee otherwise has a right to disclose as legally protected conduct.

LOUISIANA

The following provision replaces Section 1(G) of the Confidentiality Provisions:

> **"Territory"** means the parishes (and equivalents) in the following list so long as the Company continues to carry on business therein: Acadia, Allen, Ascension, Assumption, Avoyelles, Beauregard, Bienville, Bossier, Caddo, Calcasieu, Caldwell, Cameron, Catahoula, Claiborne, Concordia, Desoto, East Baton Rouge, East Carroll, East Feliciana, Evangeline, Franklin, Grant, Iberia, Iberville, Jackson, Jefferson Davis, Jefferson, Lafayette, Lafourche, LaSalle, Lincoln, Livingston, Madison, Morehouse, Natchitoches, Orleans, Ouachita, Plaquemines, Pointe Coupee, Rapides, Red River, Richland, Sabine, St. Bernard, St. Charles, St. Helena, St. James, St. John the Baptist, St. Landry, St. Martin, St. Mary, St. Tammany, Tangipahoa, Tensas, Terrebonne, Union, Vermillion, Vernon, Washington, Webster, West Baton Rouge, West Carroll, West Feliciana, Winn; and, if Louisiana law requires counties (or their equivalents) in my Restricted Territory located outside of Louisiana to also be specified by name, Grantee acknowledges that the names at issue are the remaining counties in the United States listed by the U. S. Census Bureau found at https://en.wikipedia.org/wiki/List_of_counties_by_U.S._state_and_territory#Louisiana (that list is incorporated here by reference).
>
> Accordingly, Grantee agrees that the foregoing provides Grantee with adequate notice of the geographic scope of the restrictions contained in the Agreement by name of specific parishes (and equivalents), municipalities, and/or their parts.

MASSACHUSETTS

Grantee acknowledges and agrees that: (a) Section 2(E)(Non-Competition) will not apply if Grantee's employment is terminated without Cause (as defined above) or if Grantee is terminated as part of a reduction in force; (b) Grantee received a copy of this Agreement prior to receiving a formal offer of employment from the Company or at least ten (10) business days before commencement of his or her employment, whichever came first; and if Grantee was already employed by the Company at the time of signing this Agreement, Grantee confirms that he or she was provided a copy of this Agreement at least ten (10) business days before it takes effect, (c) Grantee has been advised that he or she has a right to consult with an attorney about this Agreement and have been given an opportunity to do so; and (d) if Grantee breaches Section 2(E)(Non-Competition) of this Agreement, and also breaches his or her fiduciary duty to the Company and/or has unlawfully taken, physically or electronically, any Company Records, then the applicable time period in Section 2(E) shall be extended to a period of twelve (12) additional months, i.e., for a total of twenty-four (24) months, from the cessation of employment. Grantee also acknowledges and agrees that Grantee has received RSUs, which Grantee agrees to be fair and reasonable consideration in exchange for the post-employment non-competition covenant.

Grantee further acknowledges and agrees that all civil actions relating to Section 2(E)(Non-Competition), Section 2(F)(Non-Solicitation of Customers), Section 2(G) Non-Solicitation of Employees and Agents, and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions shall be brought in Suffolk County, Massachusetts. Grantee further agree that the parties consent to the use of electronic signatures to sign and acknowledge acceptance of the terms of this Agreement, including the provision above. Acuity Brands, Inc., hereby enters its electronic signature as */s/* ***ACUITY BRANDS, INC.***

MONTANA & NORTH DAKOTA

Section 2(E)(Non-Competition), Section 2(F)(Non-Solicitation of Customers), and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions are deleted.

OKLAHOMA

Section 2(E)(Non-Competition) and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions are deleted.

The following provision replaces Section 2(F) (Non-Solicitation of Customers) of the Confidentiality Provisions:

- F. Non-Solicitation of Customers — Grantee agrees that that during his/her employment, and for twenty-four (24) months after the Date of Termination, the Grantee shall not, on the Grantee's own behalf or on behalf of any other person or entity (other than the Company), directly solicit the sale of goods, services, or a combination of goods and services from the established customers of the Company.

OREGON

If Grantee is being initially hired by the Company, Grantee confirms that he or she has received a written employment offer at least two (2) weeks before the first day of employment in which Grantee was informed that a noncompetition agreement is required as a condition of employment; and if Grantee was already employed by the Company at the time of signing this Agreement, Grantee confirms that he or she was aware in exchange for a bona fide advancement that execution of an agreement with non-compete and non-solicit restrictions was a requirement of employment when accepted the Company's offer. For purposes of the foregoing test only, "bona fide advancement" means a genuine promotion in rank after initial employment.

Furthermore, Section 2(E)(Non-Competition) shall only apply to Grantee if both of the following conditions apply: (1) Grantee engages in administrative, executive, or professional work as described in ORS 653.020(3); and (2) Grantee's total annual compensation including commissions, if any, at termination exceeds $108,575.64 in 2023, adjusted annually for inflation.[2] For purposes of the foregoing test only, "administrative, executive, or professional work" means that Grantee: (1) performs predominantly intellectual, managerial or creative tasks; (2) exercises discretion and independent judgment; and (3) earns a salary paid on a salary basis.

Grantee may contact his or her local human resources representative with any questions regarding his or her rate of earnings.

WASHINGTON

(a) Section 2(E)(Non-Competition) and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions will not be enforceable against Grantee unless he /she earns from Company at least $116,593.18 in Box 1 W-2 annual compensation, as adjusted annually for inflation by the Washington State Department of Labor & Industries ("Earnings Threshold"). Grantee further agrees that if, at the time Grantee signs the Agreement, his or her earnings do not meet the Earnings Threshold, Section 2(E)(Non-Competition), and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions, will automatically become enforceable against Grantee if and when his or her salary meets the Earnings Threshold.

(b) the Company further agrees that if Grantee's employment with the Company is terminated as the result of a layoff, the Company will not enforce Section 2(E)(Non-Competition) and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions against the Grantee unless, during the period of enforcement, the Company pays the Grantee compensation equivalent to Grantee's final base pay at the time of the termination of his or her employment, minus the amount of any compensation Grantee earns through employment after the end of his or her employment with the Company, which Grantee agrees to promptly and fully disclose. For purposes of this section, "layoff" means termination of Grantee's employment by the Company for reasons of the Company's insolvency or other purely economic factors, and specifically excludes termination of Grantee's employment for any other reason, either with or without cause.

(c) The following provision replaces Section 2(F) of the Confidentiality Provisions:

> **Non-Solicitation of Customers.** Grantee acknowledges and agrees that during his/her employment, and for eighteen (18) months after the Date of Termination, Grantee has not and will not directly or indirectly solicit Customers (as defined in Section 1(c) above) to cease or reduce the extent to which it is doing business with the Company.

(d) The following provision replaces Section(G) of the Confidentiality Provisions:

> **Non-Solicitation of Employees and Agents.** Grantee acknowledges and agrees that during his/her employment, and for a period of eighteen (18) months after the Date of Termination, Grantee has not and will not, directly or indirectly, whether on behalf of Grantee or others, solicit, lure or attempt to solicit or lure any of the Company's employees or agents to leave the Company.

[2] This is $108,575.64 for 2023.

(e) Grantee acknowledges and agrees if he or she is a newly hired employee, Grantee was given advance notice of Section 2(E)(Non-Competition) and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions in writing prior to accepting the Company's offer of employment. If this Agreement is entered into after the commencement of Grantee's employment with the Company, Grantee confirms that he / she has received RSUs, which Grantee agrees to be independent consideration that involves new promises or obligations previously not required of the parties.

WASHINGTON D.C.

No employer operating in the District of Columbia may request or require any employee working in the District of Columbia to agree to a non-compete policy or agreement, in accordance with the Ban on Non-Compete Agreements Amendment Act of 2020. As such, for Grantees who primarily reside and work for the Company in Washington D.C., then Section 2(E)(Non-Competition), Section 2(F)(Non-Solicitation of Customers), and Section 2(H)(Non-Solicitation of Sales Agents) of the Confidentiality Provisions are deleted and do not apply.

Acuity Brands, Inc.
Incentive-Based Compensation Recoupment Policy

(As Amended and Restated Effective as of October 2, 2023)

Acuity Brands, Inc. (the "Company"), by action of its Board of Directors, has adopted this amended and restated incentive-based compensation recoupment policy (this "Policy").

1. Mandatory Recovery. If the Company is required to prepare an Accounting Restatement, the Company shall recover reasonably promptly from current or former Covered Officers, as described in this Policy, the amount of Erroneously Awarded Compensation.

2. Other Recovery. If the Company is required to prepare an Accounting Restatement, the Company may, at the discretion of the Committee, recover from any one or more individuals who report directly to a Covered Officer (each such individual to whom the Committee applies this Section 2, a "Direct Report") all or a portion of the amount of Incentive Compensation that would be considered Erroneously Awarded Compensation if the Direct Report was a Covered Officer, determined by substituting the term "Direct Report" for the term "Covered Officer" in Section 3(e) below. If the Committee decides to recover any amount of Incentive Compensation from a Direct Report, then such amount shall be considered "Erroneously Awarded Compensation" for purposes of this Policy.

3. Definitions. For purposes of this Policy, the following terms, when capitalized, shall have the meanings set forth below:

   a) "Accounting Restatement" shall mean any accounting restatement required due to material noncompliance of the Company with any financial reporting requirement under the securities laws, including to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period.

   b) "Committee" shall mean the Compensation and Management Development Committee of the Board of Directors of the Company, or another committee of independent directors designated by the Board of Directors.

   c) "Covered Officer" shall mean the Company's president; principal financial officer; principal accounting officer (or if there is no such accounting officer,

the controller); any vice-president of the Company in charge of a principal business unit, division, or function (such as sales, administration, or finance); any other officer who performs a significant policy-making function; or any other person who performs similar significant policy-making functions for the Company.

d) “Effective Date” shall mean the effective date of Section 303A.14 of the NYSE Listed Company Manual.

e) “Erroneously Awarded Compensation” shall mean the excess of (i) the amount of Incentive-Based Compensation Received by a person (A) after beginning service as a Covered Officer, (B) who served as a Covered Officer at any time during the performance period for that Incentive-Based Compensation, (C) while the Company has a class of securities listed on a national securities exchange or a national securities association, and (D) during the Recovery Period; over (ii) the Recalculated Compensation.

f) “Incentive-Based Compensation” shall mean any compensation that is granted, earned, or vested based wholly or in part upon the attainment of a financial reporting measure. A financial reporting measure is a measure that is determined and presented in accordance with the accounting principles used in preparing the Company’s financial statements, and any measures that are derived wholly or in part from such measures, regardless of whether such measure is presented within the financial statements or included in a filing with the Securities Exchange Commission. Each of stock price and total shareholder return is a financial reporting measure. For the avoidance of doubt, incentive-based compensation subject to this Policy does not include stock options, restricted stock, restricted stock units or similar equity-based awards for which the grant is not contingent upon achieving any financial reporting measure performance goal and vesting is contingent solely upon completion of a specified employment period or attaining one or more non-financial reporting measures.

g) “Recalculated Compensation” shall mean the amount of Incentive-Based Compensation that otherwise would have been Received had it been determined based on the restated amounts in the Accounting Restatement, computed without regard to any taxes paid. For Incentive-Based Compensation based on stock price or total shareholder return, where the amount of the Erroneously Awarded Compensation is not subject to mathematical recalculation directly from the information in an Accounting Restatement, the amount of the Recalculated Compensation must be based on a reasonable estimate of the effect of the Accounting Restatement on the stock price or total shareholder return, as the case may be, on the compensation Received. The Company must maintain documentation of the determination of that reasonable estimate and provide such

documentation to the national securities exchange or association on which its securities are listed.

h) Incentive-Based Compensation is deemed "Received" in the Company's fiscal period during which the financial reporting measure specified in the award of such Incentive-Based Compensation is attained, even if the payment or grant of the Incentive-Based Compensation occurs after the end of that period.

i) "Recovery Period" shall mean the three completed fiscal years of the Company immediately preceding the date the Company is required to prepare an Accounting Restatement; provided that the Recovery Period shall not begin before the Effective Date. For purposes of determining the Recovery Period, the Company is considered to be "required to prepare an Accounting Restatement" on the earlier to occur of: (i) the date the Company's Board of Directors, a committee thereof, or the Company's authorized officers conclude, or reasonably should have concluded, that the Company is required to prepare an Accounting Restatement; or (ii) the date a court, regulator, or other legally authorized body directs the Company to prepare an Accounting Restatement. If the Company changes its fiscal year, then the transition period within or immediately following such three completed fiscal years also shall be included in the Recovery Period, provided that if the transition period between the last day of the Company's prior fiscal year end and the first day of its new fiscal year comprises a period of nine to twelve months, then such transition period shall instead be deemed one of the three completed fiscal years and shall not extend the length of the Recovery Period.

4. Exceptions. Notwithstanding anything to the contrary in this Policy, recovery of Erroneously Awarded Compensation will not be required to the extent the Company's committee of independent directors responsible for executive compensation decisions (or a majority of the independent directors on the Company's board of directors in the absence of such a committee) has made a determination that such recovery would be impracticable and one of the following conditions have been satisfied:

a) The direct expense paid to a third party to assist in enforcing this Policy would exceed the amount to be recovered; provided that, before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation that was Incentive-Based Compensation based on the expense of enforcement, the Company must make a reasonable attempt to recover such Erroneously Awarded Compensation, document such reasonable attempt(s) to recover, and provide that documentation to the national securities exchange or association on which its securities are listed.

b) Recovery would violate home country law where, with respect to Incentive-Based Compensation, that law was adopted prior to November 28, 2022; provided that, before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation that was Incentive-Based Compensation based on violation of home country law, the Company must obtain an opinion of home country counsel, acceptable to the national securities exchange or association on which its securities are listed, that recovery would result in such a violation, and must provide such opinion to the exchange or association.

c) Recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and regulations thereunder.

5. Manner of Recovery. In addition to any other actions permitted by law or contract, the Company may take any or all of the following actions to recover any Erroneously Awarded Compensation: (a) require the Covered Officer or Direct Report to repay such amount; (b) offset such amount from any other compensation owed by the Company or any of its affiliates to the Covered Officer or Direct Report, regardless of whether the contract or other documentation governing such other compensation specifically permits or specifically prohibits such offsets; and (c) subject to Section 4(c), to the extent the Erroneously Awarded Compensation was deferred into a plan of deferred compensation, whether or not qualified, forfeit such amount (as well as the earnings on such amounts) from the Covered Officer's or Direct Report's balance in such plan, regardless of whether the plan specifically permits or specifically prohibits such forfeiture. If the Erroneously Awarded Compensation consists of shares of the Company's common stock, and the Covered Officer or Direct Report still owns such shares, then the Company may satisfy its recovery obligations by requiring the Covered Officer or the Direct Report to transfer such shares back to the Company. Without limitation, to the extent appropriate and consistent with the requirements of applicable law and listing standards, as determined by the Committee in its sole and absolute discretion, the Company may elect to recover some or all Erroneously Awarded Compensation by means of a deferred payment plan that allows the Covered Officer to repay Erroneously Awarded Compensation as soon as possible without unreasonable economic hardship to the Covered Officer.

6. Other.

a) The Committee shall have the sole discretion to administer, interpret and amend this Policy from time to time, in compliance with the applicable listing standards of the national securities exchange or association on which the Company's securities are listed, and the determinations of the Board of

Directors or the Committee shall be binding on all Covered Officers and Direct Reports.

b) In no event shall the Company be required to award a Covered Officer or a Direct Report an additional payment if the restated or accurate financial results would have resulted in higher Incentive-Based Compensation.

c) The Company shall not indemnify any Covered Officer or Direct Report against the loss of Erroneously Awarded Compensation.

d) The Company shall file all disclosures with respect to this Policy in accordance with the requirements of the Federal securities laws, including disclosure required by the Securities Exchange Commission filings.

e) Any references in compensation plans, agreements, equity awards or other policies to the Company's "recoupment", "clawback" or similarly-named policy shall be deemed to refer to this Policy with respect to Incentive-Based Compensation Received on or after the Effective Date. With respect to Incentive-Based Compensation Received prior to the Effective Date, such references to the Company's "recoupment", "clawback" or similarly-named policy in compensation plans, agreements, equity awards or other policies shall be deemed to refer to the Company's Incentive-Based Compensation Recoupment Policy in effect prior to the Effective Date.

f) The terms of this Policy will be deemed to be expressly incorporated into the terms of any award or other arrangement relating to Incentive-Based Compensation. Any right to recovery under this Policy shall be in addition to, and not in lieu of, any other rights of recovery that may be available to the Company. Application of this Policy does not preclude the Company from taking any other action to enforce a Covered Officer's or Direct Report's obligations to the Company, including, but not limited to, termination of employment or institution of civil or criminal proceedings.

7. Reporting Violations. If you become aware of any violation of this Policy, you should report it immediately to the Corporate Secretary or the General Counsel. You can also reach out to our Ethics Helpline:

    - Via the internet: ethicshelpline.acuitybrands.com
    - Via telephone, 24 hours/day, 7 days/week:

U.S. and Canada:	800-461-9330 or via text 770-637-0324
China:	400-120-3062
France:	0805-080339
Mexico:	01-800-681-6945
Netherlands:	0-800-022-0441
United Kingdom:	0-808-189-1053

Department: Board/Legal	Policy Number:
Effective Date: October 2, 2023	Version:

ACUITY BRANDS, INC.
SHORT-TERM INCENTIVE PLAN
As Amended and Restated Effective as of September 28, 2023

1. **Establishment and Effective Date of Plan**

Acuity Brands, Inc. hereby adopts this amendment, restatement, and renaming of the Acuity Brands, Inc. Short-Term Incentive Plan (formerly known as the Acuity Brands, Inc. Management Cash Incentive Plan) (the "Plan"). The Plan is intended to provide annual cash Incentive Awards to Executive Officers and certain other executives and key employees of the Corporation, its Subsidiaries and Business Units who are in positions designated as eligible for participation by the Committee or its designee. The Plan initially became effective as of October 25, 2017 and this amendment, restatement, and renaming shall become effective as of September 28, 2023 (the "Effective Date"), the date the Board of Directors approved the Plan. The Plan shall remain in effect until amended, suspended, or terminated by the Compensation Committee pursuant to Section 13.

2. **Purpose of the Plan**

The purpose of the Plan is to further the growth and financial success of the Corporation by offering performance incentives to designated executives and other key employees who have significant responsibility for such success.

3. **Definitions**

(a) "Base Annual Salary" means the actual base salary paid to a Participant during the applicable Plan Year, increased by the amount of any pre-tax deferrals or other pre-tax payments made by the Participant to the Corporation's deferred compensation or welfare plans (whether qualified or non-qualified).

(b) "Board of Directors" means the Board of Directors of the Corporation.

(c) "Business Unit" means a separate business operating unit of the Corporation with respect to which separate performance goals are established hereunder.

(d) "Change in Control" means the occurrence of any of the following events:

(i) The acquisition (other than from the Corporation) by any "Person" (as the term person is used for purposes of Sections 13(d) or 14(d) of the U.S. Securities Exchange Act of 1934, as amended (the "1934 Act")) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the 1934 Act) of twenty percent (20%) or more of the combined voting power of the Corporation's then outstanding voting securities; or

(ii) The individuals who, as of the Effective Date, are members of the Board of Directors (the "Incumbent Board"), cease for any reason to constitute at least two-thirds of the Board of Directors; provided, however, that if the election, or nomination for election by the Corporation's stockholders, of any new director was approved by a vote of at least two-thirds of

the Incumbent Board, such new director shall, for purposes of this Plan, be considered as a member of the Incumbent Board; or

(iii) A merger or consolidation involving the Corporation if the stockholders of the Corporation, immediately before such merger or consolidation do not, as a result of such merger or consolidation, own, directly or indirectly, more than sixty percent (60%) of the combined voting power of the then outstanding voting securities of the corporation resulting from such merger or consolidation in substantially the same proportion as their ownership of the combined voting power of the voting securities of the Corporation outstanding immediately before such merger or consolidation; or

(iv) A complete liquidation or dissolution of the Corporation or an agreement for the sale or other disposition of all or substantially all of the assets of the Corporation.

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur pursuant to subsection (i) above, solely (1) because twenty percent (20%) or more of the combined voting power of the Corporation's then outstanding securities is acquired by (i) a trustee or other fiduciary holding securities under one or more employee benefit plans maintained by the Corporation or any of its Subsidiaries, or (ii) any corporation which, immediately prior to such acquisition, is owned directly or indirectly by the stockholders of the Corporation in the same proportion as their ownership of stock in the Corporation immediately prior to such acquisition, or (2) a transaction is effected for the purpose of changing the place of incorporation or form of organization of the ultimate parent entity (including where the Corporation is succeeded by an issuer incorporated under the laws of another state or country, whether or not the Corporation remains in existence following such transaction) where all or substantially all of the persons or group that beneficially own all or substantially all of the combined voting power of the Corporation's then outstanding securities immediately prior to the transaction beneficially own all or substantially all of the combined voting power of the Corporation or the ultimate parent entity in the same proportions of their ownership after the transaction.

(e) "Chief Executive Officer" means the chief executive officer of the Corporation, unless otherwise specified.

(f) "Code" means the U.S. Internal Revenue Code of 1986, as amended.

(g) "Committee" means (i) with respect to the administration of the Plan for Participants who are Executive Officers, the Compensation Committee, and (ii) with respect to the administration of the Plan for Participants who are not Executive Officers, a committee consisting of the Chief Executive Officer and the Corporation's chief human resources officer, or such other officer(s) as the Board of Directors or Compensation Committee may designate from time to time (such committee, the "Management Committee").

(h) "Compensation Committee" means the Compensation and Management Development Committee of the Board of Directors.

(i) "Corporation" means Acuity Brands, Inc. and its successors.

(j) "Executive Officer" means a Participant who is an officer of the Corporation as defined in Rule 16a-1(f) promulgated under the 1934 Act.

(k) "Incentive Award" or "Award" means the bonus awarded to a Participant under the terms of the Plan.

(l) "Incentive Award Agreement" means any written communication from the Corporation in which the terms of an Incentive Award are set forth.

(m) "Maximum Award" means the maximum percentage of Base Annual Salary which may be paid based upon the Relative Performance during the Plan Year.

(n) "Participant" means an employee of the Corporation, a Subsidiary or a Business Unit who is designated by the Committee to participate in the Plan.

(o) "Performance Measures" means the performance measures described on Appendix A attached hereto, as they may be amended from time to time, or such other performance measures determined appropriate by the Compensation Committee.

(p) "Personal Performance Goals" means the goals established for each Participant each year to improve the effectiveness of the Participant's area of responsibility as well as the Corporation as a whole.

(q) "Plan Rules" means the guidelines established annually by the Committee pursuant to Section 4.

(r) "Plan Year" means the twelve-month period that is the same as the Corporation's fiscal year, September 1 through the next following August 31.

(s) "Relative Performance" means the extent to which the Corporation, designated Business Unit or Subsidiary, as applicable, achieves the performance measurement criteria set forth in the Plan Rules.

(t) "Subsidiary" means any entity in an unbroken chain of entities, beginning with the Corporation, if each of the entities other than the last entity in the unbroken chain owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other entities in such chain.

(u) "Target Award" means the percentage (which may vary among Participants and from Plan Year to Plan Year) of Base Annual Salary which will be paid to a Participant as an Incentive Award if the performance measurement criteria applicable to the Participant for the Plan Year is achieved at the targeted level, as reflected in the Plan Rules for such Plan Year.

(v) "Tax-Related Items" means all income tax (including U.S. and non-U.S. federal, state and local tax), social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to a Participant's participation in the Plan and legally applicable or deemed legally applicable to the Participant.

(w) "Threshold Award" means the percentage of Base Annual Salary which may be paid based on the minimum acceptable Relative Performance during the Plan Year.

4. **Administration of the Plan**

The Plan will be administered by the Committee, subject to any right to delegate responsibility for administration of the Plan pursuant to Section 7. Notwithstanding the foregoing or anything in the Plan to the contrary, the determination of the Compensation Committee with respect to Incentive Awards of the Chief Executive Officer will be subject to the ratification of the independent directors of the Board to the extent set forth in the Compensation Committee's Charter, as it may be amended from time to time (the "Charter"). The Committee will have authority to establish Plan Rules with respect to the following matters:

(a) the employees who are designated Participants in the Plan;

(b) the Target Award, Maximum Award and Threshold Award that can be granted to each Participant and the method for determining such award, which may be amended by the Committee from time to time;

(c) the performance targets and the measurement criteria to be used in determining the Corporation's or a Business Unit's or a Subsidiary's Relative Performance, which will include one or more Performance Measures, as determined by the Compensation Committee each year; and

(d) the time or times and the conditions subject to which any Incentive Award may become payable.

The Plan Rules will be adopted by the Committee prior to, or as soon as practical after, the commencement of each Plan Year. Subject to the provisions of the Plan and the Committee's right to delegate its responsibilities, the Committee will also have the discretionary authority to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to it, and to make all other determinations deemed necessary or advisable in administering the Plan. Subject to applicable laws, the Committee may in its discretion during a Plan Year revise the performance targets and measurement criteria to the extent the Committee deems necessary to achieve the purposes of the Plan to reflect any changed or unexpected or unusual circumstances; provided that only the Compensation Committee may revise the performance targets and measurement criteria that relate to the Corporation's or a Business Unit's or a Subsidiary's Relative Performance.

In addition, all Awards granted under the Plan and any cash payments received pursuant to such Awards will be subject to deduction, recoupment, or forfeiture in accordance with and to the extent otherwise necessary to comply with the Corporation's Incentive-Based Compensation Recoupment

Policy, as it may be amended from time to time, or any other clawback policy that the Corporation is required to adopt pursuant to the listing standards of any national securities exchange or association on which the Corporation's securities are listed or as is otherwise required by applicable law. Further, Awards granted under the Plan and any cash payments received pursuant to such Awards will be subject to deduction, recoupment, or forfeiture at the discretion of the Committee, in the event that the Committee determines that a Participant's negligence, fraud or other misconduct contributed to the Corporation having to restate all or a portion of its financial statements or in the event that a Participant otherwise engages in misconduct, including any material violation of law or Corporation policy, which causes or might reasonably be expected to cause financial, reputational, or other harm to the Corporation, as determined by the Committee.

5. **Participation**

Eligibility for participation in the Plan is limited to Executive Officers of the Corporation and certain other executives and key employees of the Corporation, Business Units or Subsidiaries. From among those eligible, the Committee will designate by name or position the Participants each Plan Year. Any employee who is a Participant in one Plan Year may be excluded from participation in any other Plan Year. If, during the Plan Year, a Participant changes employment positions to a new position which corresponds to a different award level, the Committee may, in its discretion, adjust the Participant's award level for such Plan Year. The Committee may, in its discretion, designate employees who are hired after the beginning of the Plan Year as Participants for such Plan Year and as eligible to receive full or partial Incentive Awards for such year.

6. **Incentive Awards**

(a) Determination of the Amount of Incentive Awards

At the end of each Plan Year, the Committee shall certify the extent to which the performance targets and measurement criteria established pursuant to Section 4 have been achieved for such Plan Year based upon financial and other information provided by the Corporation. Subject to the right to decrease or cancel an award as described in the next paragraph, the Participant's Incentive Award shall be computed by the Committee based upon the achievement of the established performance targets, measurement criteria and the requirements of the Plan. The Committee may provide in the Incentive Award Agreement or otherwise that any evaluation of performance shall include or exclude any of the following events that occur during a Plan Year: (i) gains or losses on sales or dispositions, (ii) asset write-downs, (iii) non-cash expenses such as share-based compensation, depreciation, and amortization, (iv) changes in tax law or rate, including the impact on deferred tax liabilities, (v) the cumulative effect of changes in accounting principles or changes in accounting policies, (vi) events of an "unusual nature" and/or of a type that indicate "infrequency of occurrence," each as defined in FASB Accounting Standards Update 2015-01, and appearing in the Corporation's financial statements or notes thereto, (vii) acquisitions occurring after the start of the Performance Period or unbudgeted costs incurred related to future acquisitions, (viii) operations discontinued, divested or restructured, including severance costs, (ix) gains or losses on refinancing or extinguishment of debt, (x) special charges for streamlining and restructuring, including severance and employee-related costs, costs associated with the early termination

of leases, production transfer expense, net of any savings realized in the period directly from the streamlining and/or restructuring activities, (xi) foreign exchange gains and losses, (xii) impact of repurchases of the Corporation's common stock, (xiii) restatement of prior period financial results that is not due to the Corporation's material noncompliance with any financial reporting requirement under U.S. federal securities laws, (xiv) any other unusual, nonrecurring gain or loss or other item that is separately identified in the Committee materials approving the grant of such Incentive Award, and (xv) any similar event or condition specified in such Incentive Award Agreement or otherwise by the Committee.

The Committee may, in its discretion, cancel or decrease the amount of a Participant's Incentive Award for a Plan Year based upon such factors as it may determine, including the failure of the Corporation, Business Unit or Subsidiary to meet certain performance goals or of a Participant to meet his or her Personal Performance Goals, subject to applicable laws. The factors to be used in reducing or cancelling an Incentive Award may be established at the beginning of a Plan Year and may vary among Participants.

In the event that the Corporation's, Business Unit's or Subsidiary's performance is below the performance thresholds for the Plan Year and the Incentive Awards are reduced or canceled, the Committee may in its discretion grant Incentive Awards to deserving Participants.

The maximum Incentive Award that may be paid to an individual Participant for a Plan Year shall be $6 million.

(b) Eligibility for Payment of Incentive Award

No Participant will have any right to receive any Incentive Award until such date as the Committee has made its final determination with respect to the payment of individual Incentive Awards. Unless otherwise required by applicable laws or determined at the discretion of the Committee, no Incentive Award will be paid to any Participant who is not an active employee of the Corporation, a Business Unit or a Subsidiary at the end of the Plan Year to which the Incentive Award relates. The Committee may also provide that to receive an Incentive Award a Participant is required to be an active employee of the Corporation, a Business Unit or a Subsidiary on the date the Incentive Award is payable. At the discretion of the Committee or its designee (subject to applicable laws), partial Incentive Awards may be authorized by the Committee to be paid to Participants (or their beneficiaries) who (i) are on an approved leave of absence (ii) are terminated without cause, (iii) retire, (iv) die or (v) become permanently and totally disabled during the Plan Year. No Participant entitled to receive an Incentive Award shall have any interest in any specific asset of the Corporation, and such Participant's rights shall be equivalent to that of a general unsecured creditor of the Corporation.

(c) Payment of Awards

Payment of the Incentive Awards will be made as soon as practicable after their determination pursuant to subsections (a) and (b) above, subject to the Corporation's right to allow a Participant to defer payment pursuant to an applicable deferred compensation plan of the Corporation, but in no event later than the payment time specified in Section 14. Payment will generally be made in a lump sum in cash, unless the Committee otherwise determines at the beginning of the Plan Year.

7. **Delegation of Authority by Committee**

The Compensation Committee may not delegate its responsibility for administration of the Plan as it relates to Participants who are Executive Officers. The Management Committee may delegate its authority to administer the Plan to a Participant's direct supervisor or manager or to such other appropriate individual, to the extent not prohibited by applicable laws, and subject to the Management Committee's right to approve the administrative actions of any such delegate. To the extent that authority is delegated pursuant to this Section 7, references to the "Committee" in the Plan shall include any such delegate. Notwithstanding the foregoing and subject to the Charter, the Compensation Committee may at any point assume full administrative authority with respect to any Participant or aspect of the Plan.

8. **Change in Control**

Upon the occurrence of a Change in Control, unless determined by the Committee in accordance with such rules as it may establish, the Participant's Incentive Award for the Plan Year shall be determined as if the Target Award level of performance has been achieved (without any reductions under Section 6(a)) and shall be deemed to have been fully earned for the Plan Year, provided that the Participant shall only be entitled to a pro rata portion of the Incentive Award based upon the number of days within the Plan Year that had elapsed as of the effective date of the Change in Control. The Incentive Award amount shall be paid only in cash within thirty (30) days of the effective date of the Change in Control. The Incentive Award payable upon a Change in Control to a Participant for the Plan Year during which a Change in Control occurs shall be the greater of the amount provided for under this Section 8 or the amount of the Incentive Award payable to such Participant for the Plan Year under the terms of any employment agreement or severance agreement with the Corporation, its Business Units or Subsidiaries, and the Participant shall not receive a duplicate Incentive Award for the Plan Year (or portion of a Plan Year), under this Plan and any such employment agreement or severance agreement. Notwithstanding the above, the Committee may provide in the Plan Rules for alternative consequences upon a Change in Control, which may apply to some or all Participants and which may vary among Participants.

9. **Beneficiary**

The Committee may provide for each Participant to designate a person or persons to receive, in the event of death, any Incentive Award to which the Participant would then be entitled under Section 6(b). Such designation will be made in the manner determined by the Committee and may be revoked by the Participant in writing. If the Committee does not provide for such designation or if a Participant fails effectively to designate a beneficiary, then the estate of the Participant will be deemed to be the beneficiary.

10. **Withholding Taxes**

The Corporation or a Subsidiary shall deduct from each Incentive Award the amount of any Tax-Related Items required to be withheld by any governmental authority.

11. **Employment**

Nothing in the Plan or in any Incentive Award shall confer (or be deemed to confer) upon any Participant the right to continue in the employ of the Corporation, a Business Unit or a Subsidiary, or interfere with or restrict in any way the rights of the Corporation, a Business Unit or a Subsidiary to discharge any Participant at any time for any reason whatsoever, with or without cause.

12. **Successors**

All obligations of the Corporation under the Plan with respect to Incentive Awards granted hereunder shall be binding upon any successor to the Corporation, whether such successor is the result of an acquisition of stock or assets of the Corporation, a merger, a consolidation or otherwise.

13. **Termination and Amendment of the Plan**

The Compensation Committee has the right to suspend or terminate the Plan at any time, or to amend the Plan in any respect provided that no such action will, without the consent of an affected Participant, adversely affect the Participant's rights under an Incentive Award approved under Section 6(b), except as the Compensation Committee determines necessary or advisable to comply with applicable law.

14. **Nonqualified Deferred Compensation.**

It is the intention of the Corporation that no Incentive Award be deferred compensation subject to Code Section 409A unless and to the extent that the Committee specifically determines otherwise, and the Plan and the terms and conditions of all Incentive Awards shall be interpreted and administered accordingly. Unless the Committee provides otherwise in an Incentive Award Agreement, or the Participant elects to defer payment pursuant to Section 6(c) hereof to an applicable deferred compensation plan of the Corporation, each Incentive Award shall be paid in full to the Participant no later than the fifteenth day of the third month after the end of the first calendar year in which such Incentive Award is no longer subject to a "substantial risk of forfeiture" within the meaning of Code Section 409A.

To the extent the Committee determines that any Incentive Award is subject to Code Section 409A, no payment will be made upon the termination of any Participant's employment unless and until such termination is also a "separation from service" (within the meaning of Code Section 409A), and if such Participant is a "specified employee" (within the meaning of Code Section 409A) at the time of the Participant's termination of employment, then solely to the extent necessary to avoid the imposition of any additional taxes under Code Section 409A, the commencement of any payments shall be deferred until the date that is six (6) months following the Participant's termination (or, if earlier, the Participant's death).

Notwithstanding any other provision of the Plan to the contrary, no event or condition shall constitute a Change in Control with respect to an Incentive Award to the extent that, if it were, a twenty percent (20%) additional income tax would be imposed under Code Section 409A on the Participant who holds such Incentive Award; provided that, in such a case, the event or condition shall continue to constitute a Change in Control to the maximum extent possible (for example, if applicable, in respect of

vesting without an acceleration of payment of such Incentive Award) without causing the imposition of such twenty percent (20%) tax, but payment of such Incentive Award will be made pursuant to the Incentive Award's original payment schedule or, if earlier, upon the death of Participant.

In the event that any provision of the Plan or an Incentive Award is determined by the Committee to not comply with the applicable requirements of Code Section 409A, the Compensation Committee shall have the authority to take such actions and to make such changes to the Plan or an Incentive Award Agreement as the Compensation Committee deems necessary to comply with such requirements (including amendments and procedures with retroactive effect), without the consent of the Participant.

15. **Governing Law and Venue**

The Plan shall be interpreted and construed under the laws of the State of Georgia. Unless otherwise provided in an Incentive Award Agreement, Participants are deemed to submit to the exclusive jurisdiction and venue of the federal or state courts of the U.S. State of Delaware, to resolve any and all issues that may arise out of or relate to the Plan or any related Incentive Award Agreement.

APPENDIX A
to
ACUITY BRANDS, INC.
SHORT-TERM INCENTIVE PLAN

The performance targets and the measurement criteria used in determining the Corporation's or a Business Unit's or a Subsidiary's Relative Performance may include one or more of the following Performance Measures which may be adjusted to include or exclude any of the events that occur during a Plan Year as described in Section 6(a):

Performance Measure	General Definition
Capital Expenditures (CAPEX)	Purchases of property, plant and equipment.
Capitalized Economic Profit	Economic Profit divided by a predetermined rate reflecting the cost of capital.
Capitalized Entity Value	Sum of average invested capital in the business and the Capitalized Economic Profit.
Capitalized Equity Value	Capitalized Entity Value minus total debt.
Cashflow from Operations	Net cash provided by operating activities.
Cashflow Return on Capital	Cashflow divided by average invested capital.
Cashflow Return on Capitalized Entity/Equity Value	Cashflow from Operations divided by Capitalized Entity/Equity Value.
Cashflow Return on Investment (CFROI)	The amount comprised of Profit before Tax plus non-cash share-based compensation expense plus loss on sale of business less gain on sale of business reduced by income taxes at the reported tax rate plus depreciation and amortization expense less CAPEX, divided by the amount comprised of Gross Fixed Assets plus Working Capital excluding cash, investments, and debt.
Change in Capital	CAPEX plus/minus change in operating Working Capital plus net proceeds from asset sales.
Change in Operating Working Capital	GAAP cash flow of accounts receivable (including allowance for doubtful accounts), inventory, and accounts payable.
Change in Price of Shares	Percentage increase in per-share price. This measure may be adjusted for Change in Capitalization (as defined in the Plan).
Change in Working Capital	Increase or decrease in Working Capital.
Days Inventory Outstanding	Inventory divided by the sum of the last three months sales divided by the total calendar days in the last three months.
Days Payables Outstanding	Accounts payable divided by the sum of the last three months' cost of goods sold divided by the total calendar days in the last three months.
Days Sales Outstanding	Accounts receivable divided by the sum of the last three months' sales divided by the total calendar days in the last three months.
Debt	Third-party debt recorded on the balance sheet.
Debt Reduction	Decrease in total debt from one period to another.
Earnings Before Interest and Taxes (EBIT)	Earnings minus interest and taxes.
EBIT Margin	EBIT divided by net sales.
Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA)	Earnings minus interest, taxes, depreciation, and amortization.
EBITDA Margin	EBITDA divided by net sales.
Earnings Per Share	Primary or fully diluted earnings per share.
Economic Profit	Net Income minus a charge for capital.
Environmental, Social, and Governance (ESG)	Performance with respect to environmental, social, and corporate governance values and/or goals.

Free Cash Flow	Cashflow from Operations less CAPEX plus proceeds from the sale of property, plant, and equipment.
Gross Fixed Assets	Total property, plant, and equipment.
Gross Profit	Gross profit.
Gross Profit Margin	Gross profit divided by net sales
Intangible Assets	Goodwill and intangible assets.
Net Income	Net income.
Net Income Return on Capital	Net Income divided by average invested capital.
Net Operating Profit After Tax (NOPAT)	Operating profit minus book income taxes (reported tax rate applied to operating profit).
Net Trade Cycle	Days Sales Outstanding plus Days Inventory Outstanding less Days Payables Outstanding.
Operating Profit	Operating profit.
Operating Profit Margin	Operating profit divided by net sales
Operating Working Capital	Net accounts receivable plus inventory minus accounts payable.
Profit before Tax	Income before provision for income taxes.
Return on Assets (ROA)	Net Income divided by average total assets.
Return on Equity (ROE)	Net Income divided by average stockholders' equity.
Return on Gross Investment	Sum of Net Income plus depreciation divided by sum of average invested capital plus accumulated depreciation.
Return on Invested Capital	Net Income divided by average invested capital.
Return on Net Assets (RONA)	Net Income or income before taxes, divided by average net assets.
Return on Tangible Assets	EBIT divided by total assets less intangible assets.
Sales	Net sales of products and service revenues.
Sales Growth	Percentage change in Sales from year to year.
Total Return of Common Stock	Percentage change in stockholder value (stock price plus reinvested dividends).
Working Capital	Current assets minus current liabilities.

List of Subsidiaries
Acuity Brands, Inc.
As of August 31, 2023

Subsidiary or Affiliate	Principal Location	State or Other Jurisdiction of Incorporation or Organization
A to Z Manufacturing LLC	Tucson, Arizona	Arizona
AB Netherlands Holdings B.V.	Netherlands	Netherlands
ABL IP Holding LLC	Atlanta, Georgia	Georgia
Acuity Aviation LLC	Atlanta, Georgia	Georgia
Acuity Brands Insurance (Bermuda) Ltd.	Hamilton, Bermuda	Bermuda
Acuity Brands Lighting, Inc.	Atlanta, Georgia	Delaware
Acuity Brands Lighting Canada, Inc.	Markham, Ontario	Canada
Acuity Brands Lighting (Hong Kong) Limited	Hong Kong	Hong Kong
Acuity Brands Lighting de Mexico, S. de R.L. de C.V.	Monterrey, Nuevo Leon	Mexico
Acuity Brands Netherlands B.V.	Eindhoven, the Netherlands	Netherlands
Acuity Brands Services, Inc.	Atlanta, Georgia	Delaware
Acuity Brands Technology Services, Inc.	Atlanta, Georgia	Delaware
Acuity Mexico Holdings, LLC	Atlanta, Georgia	Delaware
Acuity Brands Mexico Holdings II LLC	Atlanta, Georgia	Delaware
Acuity Trading (Shanghai) Co. Ltd.	Shanghai, People's Republic of China	People's Republic of China
Amerillum, LLC	Atlanta, Georgia	California
Arizona (Tianjin) Electronics Products Trade Co., Ltd	Tianjin, People's Republic of China	People's Republic of China
Arizona Trading Company Limited	Hong Kong	Hong Kong
Castlight de Mexico, S.A. de C.V.	Matamoros, Tamaulipas, Mexico	Mexico
Distech Controls Inc.	Brossard, Quebec, Canada	British Columbia, Canada
Distech Controls Facility Solutions Inc.	Ottawa, Ontario, Canada	Ontario, Canada
Distech Controls Energy Services (Canada) Inc.	Brossard, Quebec, Canada	Quebec, Canada
Distech Controls SAS	Brignais, France	France
Distech Controls Energy Services, Inc.	Atlanta, Georgia	Texas
eldoLAB Holding B.V.	Eindhoven, the Netherlands	Netherlands
eldoLED B.V.	Eindhoven, the Netherlands	Netherlands
EXY Poland sp. z o.o.	Warsaw, Poland	Poland
Holophane S.A. de C.V.	Monterrey, Nuevo Leon, Mexico	Mexico
Holophane Europe Ltd.	Milton Keynes, England	United Kingdom
Holophane Lighting Ltd.	Milton Keynes, England	United Kingdom
HSA Acquisition Company, LLC	Atlanta, Georgia	Ohio
ID Limited	Douglas, Isle of Man	Isle of Man
KE2 Therm Solutions, Inc.	Washington, Missouri	Missouri
KE2 Connect, LLC	Washington, Missouri	Missouri
Luminaire LED, LLC	Atlanta, Georgia	Delaware
Luxfab Ltd	Milton Keynes, England	United Kingdom
Rockpile Ventures, Inc.	Seattle, Washington	Delaware
The Luminaires Group Inc.	Montreal, Quebec, Canada	Quebec, Canada
The Luminaires Group U.S.A., LLC	Atlanta, Georgia	Delaware

Exhibit 22

List of Guarantors and Subsidiary Issuers of Guaranteed Securities

Acuity Brands Lighting, Inc., a Delaware corporation, is the issuer of the 2.150% Notes due 2030, that are fully and unconditionally guaranteed by Acuity Brands, Inc. (the “Company”) and the following subsidiary of the Company.

Subsidiary Name	State or Country of Incorporation or Formation
ABL IP Holding LLC	Georgia

Exhibit 23

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the following Registration Statements:

(1) Registration Statement (Form S-3 No. 333-249656) of Acuity Brands, Inc., Acuity Brands Lighting, Inc., and ABL IP Holding LLC,
(2) Registration Statement (Form S-8 No. 333-74242) pertaining to the Acuity Brands, Inc. 401(k) Plan, Acuity Lighting Group, Inc. 401(k) Profit Sharing Retirement Plan for Salaried Employees, Acuity Lighting Group, Inc. 401(k) Plan for Hourly Employees, Holophane Division of Acuity Lighting Group 401(k) Plan for Hourly Employees, and Holophane Division of Acuity Lighting Group 401(k) Plan for Hourly Employees Covered by a Collective Bargaining Agreement,
(3) Registration Statement (Form S-8 No. 333-74246) pertaining to the Acuity Brands, Inc. Long-Term Incentive Plan, Acuity Brands, Inc. Employee Stock Purchase Plan, and Acuity Brands, Inc. 2001 Nonemployee Directors' Stock Option Plan,
(4) Registration Statement (Form S-8 No. 333-123999) pertaining to the Acuity Brands, Inc. 401(k) Plan,
(5) Registration Statement (Form S-8 No. 333-126521) pertaining to the Acuity Brands, Inc. Long-Term Incentive Plan (as amended and restated),
(6) Registration Statement (Form S-8 No. 333-138384) pertaining to the Acuity Brands, Inc. 2005 Supplemental Deferred Savings Plan, and Acuity Brands, Inc. Nonemployee Director Deferred Compensation Plan (as amended and restated),
(7) Registration Statement (Form S-8 No. 333-152134) pertaining to the Acuity Brands, Inc. Long-Term Incentive Plan (as amended and restated),
(8) Registration Statement (Form S-8 No. 333-185971) pertaining to the Acuity Brands, Inc. 2012 Omnibus Stock Incentive Compensation Plan,
(9) Registration Statement (Form S-8 No. 333-222510) pertaining to the Amended and Restated Acuity Brands, Inc. 2012 Omnibus Stock Incentive Compensation Plan,
(10) Registration Statement (Form S-8 No. 333-179243) pertaining to the Amended and Restated Acuity Brands, Inc. 2011 Nonemployee Director Deferred Compensation Plan, and the Amended and Restated Acuity Brands, Inc. 2012 Omnibus Stock Incentive Compensation Plan, and
(11) Registration Statement (Form S-8 No. 333-262426) pertaining to the. Amended and Restated Acuity Brands, Inc. 2012 Omnibus Stock Incentive Compensation Plan;

of our reports dated October 26, 2023, with respect to the consolidated financial statements of Acuity Brands, Inc. and the effectiveness of internal control over financial reporting of Acuity Brands, Inc. included in this Annual Report (Form 10-K) of Acuity Brands, Inc. for the year ended August 31, 2023.

/s/ Ernst & Young LLP
Atlanta, Georgia
October 26, 2023

Exhibit 24

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned hereby constitutes and appoints Neil M. Ashe and Karen J. Holcom, and each of them individually, his or her true and lawful attorneys-in-fact (with full power of substitution and resubstitution) to act for the undersigned in his or her name, place, and stead in his or her capacity as a director or officer of Acuity Brands, Inc., to file a registrant's annual report on Form 10-K for the fiscal year ended August 31, 2023, and any and all amendments thereto, with any exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact, and each of them individually, full power and authority to do and perform each and every act and thing requisite and necessary to be done in the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact or either of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

/s/ Marcia J. Avedon, Ph.D.
Marcia J. Avedon, Ph.D.

Dated: October 26, 2023

Exhibit 24

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned hereby constitutes and appoints Neil M. Ashe and Karen J. Holcom, and each of them individually, his or her true and lawful attorneys-in-fact (with full power of substitution and resubstitution) to act for the undersigned in his or her name, place, and stead in his or her capacity as a director or officer of Acuity Brands, Inc., to file a registrant's annual report on Form 10-K for the fiscal year ended August 31, 2023, and any and all amendments thereto, with any exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact, and each of them individually, full power and authority to do and perform each and every act and thing requisite and necessary to be done in the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact or either of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

/s/ W. Patrick Battle
W. Patrick Battle

Dated: October 26, 2023

Exhibit 24

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned hereby constitutes and appoints Neil M. Ashe and Karen J. Holcom, and each of them individually, his or her true and lawful attorneys-in-fact (with full power of substitution and resubstitution) to act for the undersigned in his or her name, place, and stead in his or her capacity as a director or officer of Acuity Brands, Inc., to file a registrant's annual report on Form 10-K for the fiscal year ended August 31, 2023, and any and all amendments thereto, with any exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact, and each of them individually, full power and authority to do and perform each and every act and thing requisite and necessary to be done in the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact or either of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

/s/ Michael J. Bender
Michael J. Bender

Dated: October 26, 2023

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/s/ G. Douglas Dillard, Jr.
G. Douglas Dillard, Jr.

Dated: October 26, 2023

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/s/ James H. Hance, Jr.
James H. Hance, Jr.

Dated: October 26, 2023

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/s/ Maya Leibman
Maya Leibman

Dated: October 26, 2023

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/s/ Laura G. O'Shaughnessy
Laura G. O'Shaughnessy

Dated: October 26, 2023

Exhibit 24

POWER OF ATTORNEY

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/s/ Mark J. Sachleben
Mark J. Sachleben

Dated: October 26, 2023

Exhibit 24

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned hereby constitutes and appoints Neil M. Ashe and Karen J. Holcom, and each of them individually, his or her true and lawful attorneys-in-fact (with full power of substitution and resubstitution) to act for the undersigned in his or her name, place, and stead in his or her capacity as a director or officer of Acuity Brands, Inc., to file a registrant's annual report on Form 10-K for the fiscal year ended August 31, 2023, and any and all amendments thereto, with any exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact, and each of them individually, full power and authority to do and perform each and every act and thing requisite and necessary to be done in the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact or either of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

/s/ Mary A. Winston
Mary A. Winston

Dated: October 26, 2023

I, Neil M. Ashe, certify that:

1. I have reviewed this annual report on Form 10-K of Acuity Brands, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 26, 2023

/s/ Neil M. Ashe

Neil M. Ashe
Chairman, President and Chief Executive Officer

[A signed original of this written statement required by Section 302 of the Sarbanes-Oxley Act has been provided to Acuity Brands, Inc., and will be retained by Acuity Brands, Inc., and furnished to the Securities and Exchange Commission or its staff upon request.]

I, Karen J. Holcom, certify that:

1. I have reviewed this annual report on Form 10-K of Acuity Brands, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 26, 2023

/s/ Karen J. Holcom

Karen J. Holcom
Senior Vice President and Chief Financial Officer

[A signed original of this written statement required by Section 302 of the Sarbanes-Oxley Act has been provided to Acuity Brands, Inc., and will be retained by Acuity Brands, Inc., and furnished to the Securities and Exchange Commission or its staff upon request.]

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002**

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to 906 of the Sarbanes-Oxley Act of 2002, and in connection with the Annual Report on Form 10-K of Acuity Brands, Inc. (the "Corporation") for the year ended August 31, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, the Chairman, President and Chief Executive Officer of the Corporation, certifies that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

/s/ Neil M. Ashe
Neil M. Ashe
Chairman, President and Chief Executive Officer
October 26, 2023

[A signed original of this written statement required by Section 906 has been provided to Acuity Brands, Inc., and will be retained by Acuity Brands, Inc., and furnished to the Securities and Exchange Commission or its staff upon request.]

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002**

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to 906 of the Sarbanes-Oxley Act of 2002, and in connection with the Annual Report on Form 10-K of Acuity Brands, Inc. (the "Corporation") for the year ended August 31, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, the Senior Vice President and Chief Financial Officer of the Corporation, certifies that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

/s/ Karen J. Holcom

Karen J. Holcom
Senior Vice President and Chief Financial Officer
October 26, 2023

[A signed original of this written statement required by Section 906 has been provided to Acuity Brands, Inc., and will be retained by Acuity Brands, Inc., and furnished to the Securities and Exchange Commission or its staff upon request.]