



**INTERSECTION
OF SUSTAINABILITY
AND TECHNOLOGY**



Statement on Estimates, Assumptions, Judgments, and Forward-Looking Information:

The statements made in this EarthLIGHT report and on our website and related materials (the "report") reflect a good faith effort to describe some of our activities and results and our current plans for the future related to sustainability and other issues. Many of those statements, however, involve estimates, judgments, risks, uncertainties, and assumptions – some of which are beyond the control of Acuity Brands (including, for example, statements related to such things as the purchase and adoption of energy-efficient products and technologies and the sources of power generation feeding electrical grids where we or our customers operate and the amount of carbon emissions those sources generate). The statements in the report are therefore not guaranteed and should not be relied upon for investment or other purposes, and actual results may differ materially from the statements expressed or implied in the report.

Some of the areas covered in the report are relatively new to businesses, such as the methodology and process of estimating emissions from a variety of sources, including those upstream and downstream of a business. We expect these methodologies and processes to evolve.

There are many approaches to address the topics in the report. Non-governmental organizations provide varying guidance and recommendations. Customers sometimes establish their own goals and requirements. National and local governments and regulatory bodies also approach these topics differently. Those factors and others may continue to influence or guide the activities and disclosures that can or must be made in the future on these or other topics.

We provide the information in the report to share the work we are doing and the impact we believe we have on improving the lives of our associates, customers, communities, and other stakeholders. We do so

with an aim of transparency to enable a better understanding of that work, consistent with our shared values. Our work may evolve over time, and we may amend the statements and goals with or without notice as we continue to learn. We plan to be guided by our shared values and our business strategy as we make decisions along the way.

The report may contain 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. All statements other than statements of historical or current facts, including statements related to the Company's plans, initiatives, projections, vision, goals, commitments, expectations, objectives, or prospects, are forward-looking. We generally use words such as "may," "will," "expect," "intend," "estimate," "anticipate," "aim," "commit," "target," "seek," "strive," "believe," "should," "would," "could," "forecast," "project," "pledge," "objectives," "positioned," or "plan" and terms of similar meaning to identify forward-looking statements. A number of important factors could cause actual events to differ materially from those contained in or implied by the forward-looking statements, including those factors discussed above and in our annual report on Form 10-K for the fiscal year ended August 31, 2022, filed on October 26, 2022, and those described from time to time in our other filings with the U.S. Securities and Exchange Commission (the "SEC"), which can be found at the SEC's website www.sec.gov. Any forward-looking information presented herein is made only as of the date of this report, and 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 the report or to reflect the occurrence of unanticipated events.

About the Cover Images

Left Side: By creating spaces that sense, think, and act autonomously to operate more efficiently and cost effectively, Acuity's Intelligent Spaces Group makes spaces smarter, safer, and greener. In commercial spaces such as this, Distech Controls® hardware, sensors and software come together with Atrius® cloud-based software solutions for optimized building performance.

Right Side: Drop Celeste Ceiling Suspended by Eureka® installed at a biopharmaceutical office in Watertown, MA. **Specifier:** OLSON LEWIS + Architects **Photographer:** Shelly Harrison



eldoLED®, Fresco™, Mark Architectural Lighting™, nLight®, and Winona® Lighting installed at Hartsfield-Jackson Atlanta International Airport in Atlanta, GA.

Agent: Smart Lighting Solutions **Photographer:** Kyle Patton

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Neil M. Ashe
Chairman, President and Chief Executive Officer

“We are positioned at the intersection of sustainability and technology so that we can capitalize on two mega-trends – minimizing the impacts of climate change and maximizing the impacts of technology. Together we believe that they will provide us with decades-long growth opportunities.”

Neil M. Ashe

Chairman, President and Chief Executive Officer

LETTER FROM THE CEO



Our Company is Positioned at the Intersection of Sustainability and Technology

We have successfully positioned the Company at the intersection of sustainability and technology. Our businesses develop technology that helps save our customers energy and reduces their carbon emissions. We are positioned for long-term growth by taking advantage of two of the most important mega-trends: minimizing the impacts of climate change and maximizing the impacts of technology. We believe this strategy will provide us with decades-long growth opportunities to create stakeholder value and compound shareholder wealth.

As an integral part of our strategy, EarthLIGHT reflects our comprehensive approach around our Environmental, Social, and Governance (ESG) priorities. In fiscal 2022, we made progress transforming our Company and have made significant advancements to reduce our environmental impact, build out our values-driven culture, and enhance our governance activities.

We are the leading lighting and lighting controls company in North America. Our Acuity Brands Lighting and Lighting Controls business segment dramatically improved product vitality and demonstrated our ability to service business when others could not.

Our Intelligent Spaces Group has differentiated technology in building controls and management systems with Distech Controls®, and, with Atrius®, we are beginning to effectively demonstrate the benefits of connecting the edge to the cloud.

We have changed how the Company works with the introduction of our Better.Smarter.Faster. operating system. Better.Smarter.Faster. is the combination of processes, tools, and ways of working that span from strategy to people to operating rhythms to problem solving.

Better.Smarter.Faster. is how we will continue to improve our businesses, respond quickly and effectively in changing economic environments, and successfully operate additional businesses in the future. It is unique to our organization and allows us to drive strategic alignment, manage change, and deliver results.

At the same time, we operate the Company as a values-driven organization. Collectively, our shared values serve as a decision-making framework that empowers our more than 13,000 associates.

The combination of Better.Smarter.Faster. and our shared values allows us to operate more productively with greater distribution of responsibility and accountability throughout the Company.

Our fiscal 2022 results demonstrate that we are well positioned to deliver on our mission to use technology to solve problems in spaces, light, and more things to come and create shareholder value – both today and in the future.

Beyond Carbon Neutral

In fiscal 2021, we achieved carbon neutrality in our operations. We committed to do more by establishing our goal of enabling 100 million metric tons of carbon avoidance as a result of our projected 2020-2030 sales of products and services replacing older technologies. Internally, this goal has had a galvanizing effect on how we manage the carbon we consume as a Company and develop solutions to help customers do the same.

We have now set our sights on reaching Net Zero – an ambitious effort to further reduce our carbon emissions by 2040. To get there, we plan to work with the Science-Based Targets Initiative (SBTi) to establish new interim targets to reduce our Scope 1, 2, and 3 carbon emissions. We are excited about this next step in our journey.

Creating the Place Where the Best People Come to Do Their Best Work

We've also continued to advance our Diversity, Equity, and Inclusion (DEI) strategy. From a strategic viewpoint, our DEI strategy gives us a talent advantage. When we hire the best

talent, develop our people, and drive towards a culture that allows people to be authentic and bring their unique ideas and innovations to work, we can have higher expectations for ourselves and what we can achieve together. We are working to create a culture and build capabilities that will differentiate us by helping us adapt and manage change in a rapidly evolving environment.

Our Listening Strategy is helping us make great progress year over year. Our fiscal 2022 Associate Engagement Survey results showed improvement in sustainable engagement from 84% to 85%, indicating continued progress. Many of the specific areas of opportunity identified for action in fiscal 2021 improved, and completely new areas of focus for fiscal 2022 emerged as the Company evolved. Another component of our Listening Strategy, our Total Rewards Survey, provided important feedback about the preferences of our associates for consideration when deciding Total Rewards offerings. Using all of these listening insights in fiscal 2022, we further enhanced our suite of benefits, broadened learning opportunities, and created tools to facilitate a growth mindset.

We are also continually evolving how and where our associates work. Acuity Anywhere – our hybrid work model – allows us to recruit and retain the best talent without geographic constraints, where appropriate. It also offers flexibility to some associates to work from home, which minimizes our carbon footprint related to commuting. As we adapt to an increasingly hybrid workforce, we are continuing to refine our approach to why and when we convene to advance our culture and produce the best results for our customers.

A Stronger Business and a Better Planet Go Hand in Hand

What we do matters. The more energy-efficient our products are, the more we can help to minimize our customers' carbon footprint; and the more engaged our associates are, the better we can serve our customers.

Throughout fiscal 2022, we delivered strong sales and earnings per share growth. Our performance was driven by solid execution across Acuity Brands Lighting and Lighting Controls and the Intelligent Spaces Group business

segments. By increasing product vitality, boosting service levels, and using technology, we continue to perform well quarter after quarter. We have made significant and ongoing improvements in our business which are also powering our performance and creating value for shareholders.

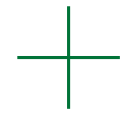
Together, we have accomplished a lot and we are proud of how we are creating meaningful and lasting value for our associates, customers, and the communities in which we live and work.

Best,

Neil M. Ashe
Chairman, President and
Chief Executive Officer



FISCAL YEAR 2022 HIGHLIGHTS



AT THE INTERSECTION
OF SUSTAINABILITY
AND TECHNOLOGY...
WE DO WELL BY DOING GOOD.



Our key EarthLIGHT highlights in fiscal 2022 included:

**NET
ZERO**

Establishing
our ambition to achieve
Net Zero emissions by
2040.



Enhancing
our Environmental Health and Safety (EHS) program



Advancing
our DEI Strategy and further evolving our values-driven
culture.




Reducing
carbon emissions and waste at our production and
distribution facilities.

Introducing
technology solutions such as the new sustainability and ESG
reporting features of Atrius® Building Insights.

↑\$4B

These accomplishments by our dedicated team of associates helped us — for the first time in the Company's history — exceed \$4 billion in annual net sales. We are excited about how far we have come and our prospects for the future.



COMPANY OVERVIEW

We do well by doing good

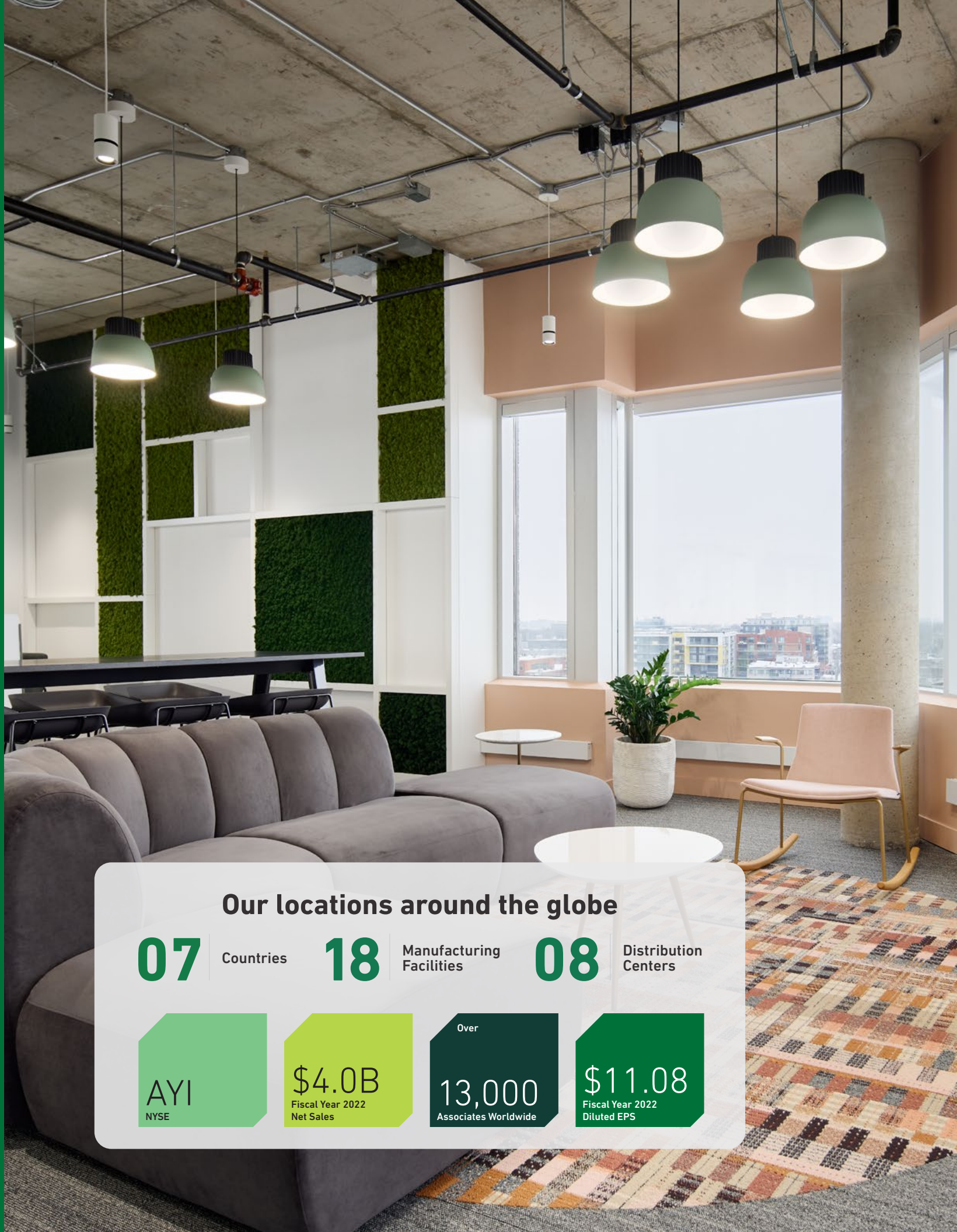
IN THIS SECTION

About Acuity Brands

Segment Overview

About the EarthLIGHT Report

Continuing to Make an Impact



Our locations around the globe

07 Countries	18 Manufacturing Facilities	08 Distribution Centers
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AYI NYSE	\$4.0B Fiscal Year 2022 Net Sales	Over 13,000 Associates Worldwide	\$11.08 Fiscal Year 2022 Diluted EPS
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ABOUT ACUITY BRANDS

Acuity Brands, Inc. (Acuity, we, our Company) is a market-leading industrial technology company. We use technology to solve problems in spaces, light, and more things to come. 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. We achieve customer-focused efficiencies that allow us to increase market share and deliver superior returns. We look to aggressively deploy capital to grow the business and to enter attractive new verticals.

Based in Atlanta, Georgia, with operations across North America, Europe, and Asia, we are powered by more than 13,000 dedicated and talented associates.

Our Mission

We use technology to solve problems in spaces, light, and more things to come... for our customers, our communities, and our planet.

Our Values

 Integrity	 Time	 Curiosity	 Customer Obsessed
 People	 Community	 Owner's Mindset	



Karen J. Holcom
Senior Vice President and Chief Financial Officer

“We are proud that we have set an ambitious goal of attaining Net Zero by 2040 while working with the Science Based Targets initiative to set emissions targets. This focus aligns with our business strategy and positions us to use best practices in emissions reductions and establishing our new Net Zero targets.”

Karen J. Holcom

Senior Vice President and Chief Financial Officer

SEGMENT OVERVIEW

Our Business Segments

Our Company is organized into two business segments: ABL and ISG. This alignment creates the necessary strategic focus on each segment and allows us to develop the leadership teams to deliver on the potential of each business.

The lighting, lighting controls, building management systems, and location-aware applications we design, manufacture, and bring to market are powerful solutions that can be used to reduce carbon emissions and reshape the spaces we all use every day.

About ABL

Our ABL business provides sustainable, inspiring, and intelligent lighting solutions that enrich communities where people live, learn, work, and play. ABL develops market-leading products, delivers best-in-class customer service, and provides technology to improve and differentiate our products and services.

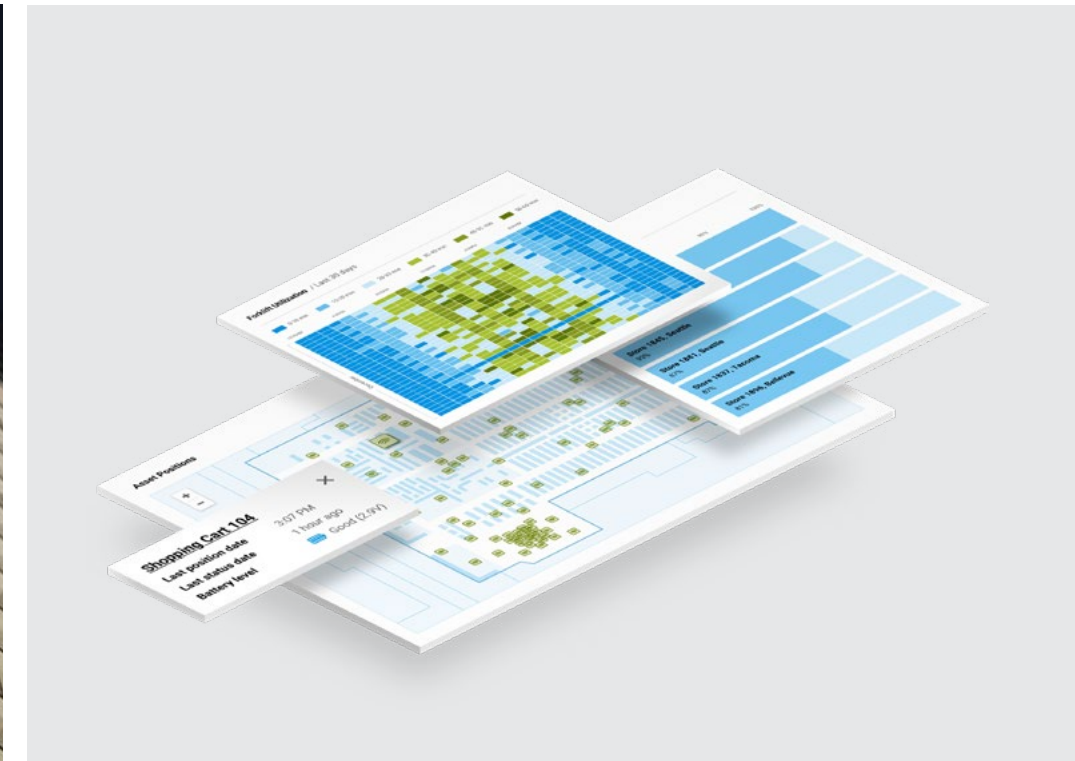
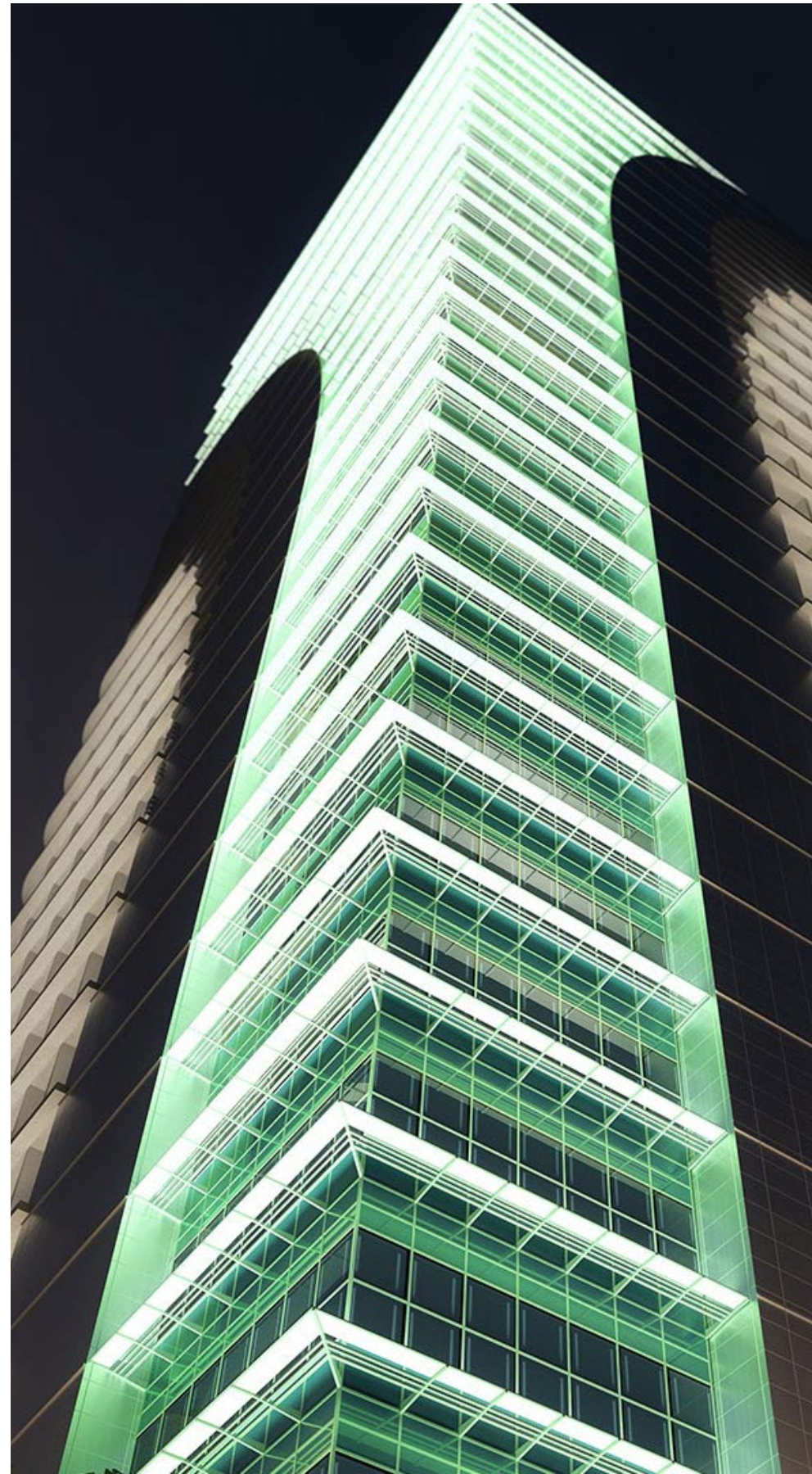
About ISG

Our ISG business provides solutions designed to make spaces smarter, safer, and greener. ISG solutions span edge to cloud and help valued customers with building management, enterprise operations, and personal experiences.

Left: The Hyline 500 Series is an outdoor linear accent luminaire offering superior optical performance and efficiency in a small profile. Whether floodlighting, grazing or wall washing the Hyline delivers multiple distribution options with exceptional beam control, placing light exactly where intended.

Top Right: Atrius® Locator brings digital precision to physical spaces. Leveraging the benefits of Indoor Positioning Systems, Atrius Locator facilitates and improves asset utilization, space utilization, operational safety, and drives down costs while achieving better customer satisfaction. By implementing Atrius Locator, organizations gain historical and live data regarding physical assets in mapped spaces.

Bottom Right: Distech Controls® Allure UNITOUCH is an occupant focused interface with touchscreen, sensors, and mobile app support for temperature, lighting, fan speed and sunblind control.

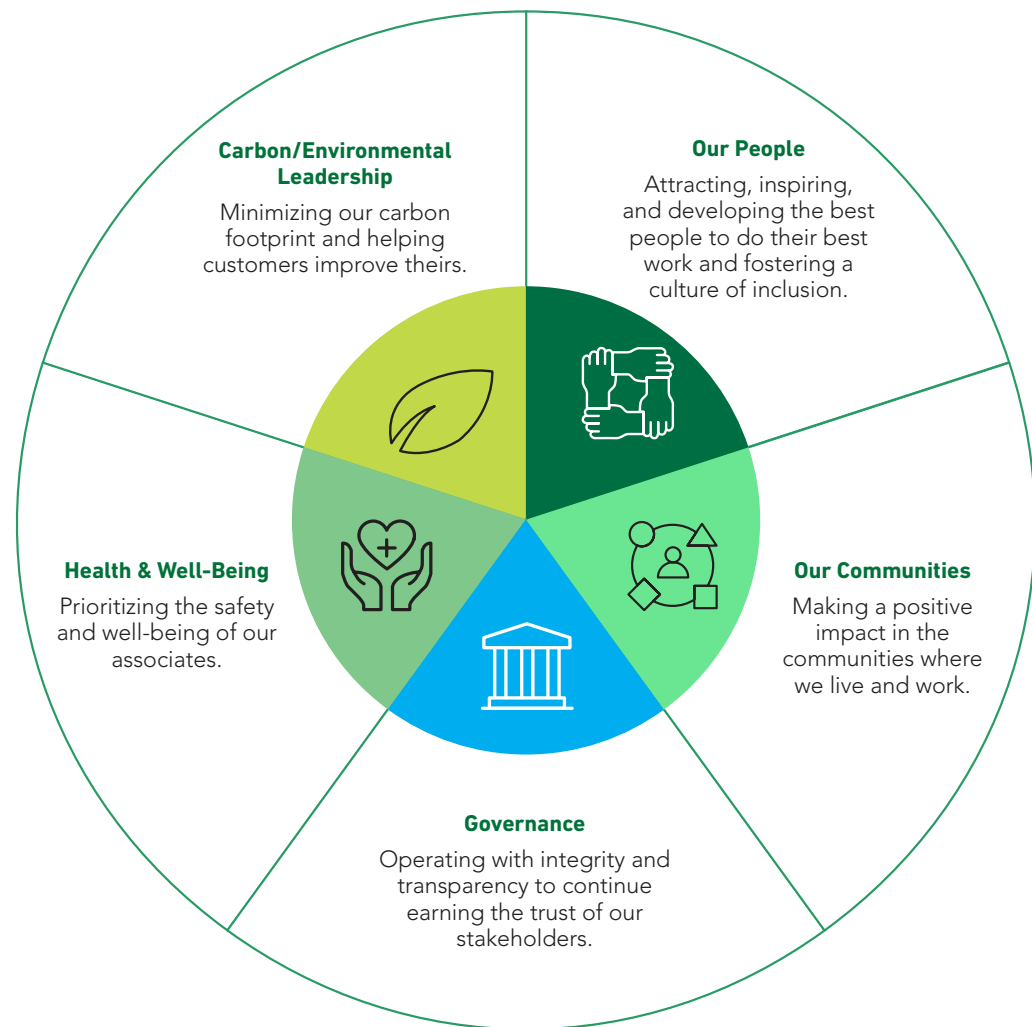


ABOUT THE EarthLIGHT REPORT

EarthLIGHT – Our Approach to ESG

EarthLIGHT is an integral part of our strategy and reflects our comprehensive approach around ESG topics. Through EarthLIGHT, we improve our performance, increase transparency, and better highlight our results on numerous ESG priorities.

Our strategy and shared values guide us, and we are always looking for ways to improve our ESG processes and impact. Feedback from our associates, customers, channel partners, suppliers, investors, Board of Directors (Board), and ESG rating organizations helps inform our thinking and approach to sustainability.



Adam Handler
Director, Corporate Sustainability and Communications

Following Industry Frameworks

This 2022 EarthLIGHT report incorporates research on our industries from the Sustainability Accounting Standards Board (SASB) framework as one of many inputs for our planning and reporting decisions. The SASB standards help align businesses and investors to prioritize and focus on the most relevant and material issues for different business sectors.

The following SASB Sectors and Sub-Sectors most closely describe our business segments:

SASB Sector	SASB Sub-Sectors	Possible Disclosure Topics
Resource Transformation	Electrical & Electrical Equipment	<ul style="list-style-type: none"> Energy Management (Environment) Product Safety (Social Capital) Product Lifecycle Management (Business Model) Materials Sourcing (Business Model) Business Ethics (Leadership & Governance)
Technology & Communications	Software & IT Services	<ul style="list-style-type: none"> Data Privacy & Freedom of Expression (Social Capital) Data Security (Social Capital) Intellectual Property Protection & Competitive Behavior (Leadership & Governance) Recruiting & Managing a Global, Diverse, & Skilled Workforce (Human Capital)

You can find the SASB Index on page 59 of this report.

FINAL UPDATE ON PROGRESS AGAINST FISCAL YEAR 2022 TARGETS

We have made significant progress on our journey during the past three years, and our EarthLIGHT metrics highlight some of the results we've achieved. In fiscal 2019, we outlined our three-year targets ending in fiscal 2022. With these targets expiring, we are providing a final update on our fiscal 2022 targets.

Goal	Metric	Fiscal 2019 Baseline	Fiscal 2022 Target	Fiscal 2022 Actual	Fiscal 2022 Status
Carbon Intensity	g CO ₂ / \$	24.16*	19.44*	17.91	Fiscal 2022 Target achieved; goal retired
	%		-25%	-31%	
Energy Efficiency	Mt CO ₂	88,735*	66,551*	71,832	76% of fiscal 2022 Target achieved; goal incorporated into Net Zero target
	%		-25%	-19%	
Reduce Raw Materials CO ₂	%		-25%	-48%	Fiscal 2022 Target achieved; goal retired
Associate Engagement	%	71	85	85	Fiscal 2022 Target achieved
Ethics	%	100% of salaried associates take required Code of Ethics and Business Conduct training	100% of salaried associates and hourly associates	100% of salaried and hourly associates	Fiscal 2022 Target achieved; goal retired
Supplier Ethics	%	n/a	90% of total spend is with suppliers who signed onto our Supplier Code of Conduct	92%	Fiscal 2022 Target achieved; goal retired

* FY19 baseline and FY22 target restated to incorporate acquisition of Osram North American DS business



Barry Goldman
Senior Vice President and General Counsel

“We improve the lives of our associates, our customers, and our communities in so many ways – helping people learn, work, engage, and live in spaces that we make better. Our new EarthLIGHT targets are designed to build on the progress we’ve made to drive an even more significant impact in the future.”

Barry Goldman
Senior Vice President and General Counsel

CONTINUING TO MAKE AN IMPACT

Taking Aim at Net Zero and Updating Our Goals and Progress

Our Commitment to Net Zero

We have taken The Climate Pledge as part of our ambitious goal of attaining Net Zero carbon emissions by 2040. We will work with the Science Based Targets initiative (SBTi) to set scope 1, 2, and 3 emissions targets for Net Zero, with progress checkpoints along the way. The SBTi, a partnership between the Carbon Disclosure Project (CDP), the United Nations (UN) Global Compact, World Resources Institute (WRI), and the World Wide Fund for Nature Inc. (WWF), drives ambitious climate action in the private sector.

What is a "Pledge"?

When we say "take the Climate Pledge" or "commit to reach Net Zero by 2040" or make similar statements, we are indicating our enthusiasm about the aims and objectives of these programs based on our present knowledge of the conditions, technologies, and other factors before us. We are also stating our plans to focus efforts to achieve those aims and objectives while balancing all of the factors required to operate a high-performing business. Many of the factors influencing performance towards those ends are outside of our control, and it is difficult to see into the distant future with certainty. We nevertheless intend to press ahead in our strategy to save energy, reduce carbon emissions, and improve the lives of our associates, customers, and communities. We reserve the right to adjust, to set new or alternative goals, or to take other actions guided by our shared values and business strategies as we set them over time.



Solar panels installed on the roof of the Holophone production facility in Milton Keynes, United Kingdom will allow the facility to provide up to 80% of its annual electrical power consumption and return an estimated energy surplus of 45,000 kWh per year to the grid.

Our Updated ESG Targets:

We are excited to set even more impactful EarthLIGHT targets. Our updated goals are shown in the table below.

Reach Net Zero by 2040

Near-Term Targets

Reduce Scope 1 & 2 Emissions

by 42% between fiscal 2019-2029

Establish a Scope 3 Emissions Reduction Target

focused on the use of our sold products under SBTi methodology by fiscal 2024

Enable 100 Million Metric Tons of Carbon Avoidance

by fiscal 2030 through the use of our put-in-place products replacing older products in existing buildings

Reach an Average Supplier Score of 3.0

on our [Responsible Sourcing Metric](#) by fiscal 2025

Achieve an Ethical Culture Score

([Trust Index](#)) at or above the norm for High-Performing Companies by fiscal 2025 (in 2022, this norm was 85%)

Achieve a Sustainable Engagement Score

at or above the norm for High-Performing Companies by fiscal 2025 (in 2022, this norm was 88%)

Maintain a Belonging and Inclusion Score

([Inclusion Index](#)) at or above the norm for High-Performing Companies (in 2022, this norm was 84%)



ENVIRONMENTAL

Positioned at the Intersection of Sustainability and Technology

IN THIS SECTION

Aligning Our Strategy, Business Improvements, and Environmental Impact

Reducing Our Own Carbon Footprint

Reducing Our Customers' Carbon Footprint

Case Studies

Acuity Brands Lighting and Lighting Controls Sustainability Update

Intelligent Spaces Group Sustainability Update

Partnerships and Membership Organizations

ALIGNING OUR STRATEGY, BUSINESS IMPROVEMENTS AND ENVIRONMENTAL IMPACT

What we do matters.

While building an even more valuable business, we are also making a positive contribution to the future of our planet by reducing our carbon footprint and helping our customers do the same.

Reaching our Carbon Targets

Our fiscal 2022 environmental focus was on improving our operations, including packaging and shipping, painting, advancing our products and solutions, and investing in renewable energy.

To remain carbon neutral, we continue to lower emissions from our operations and are reducing the need to purchase offsets. We decreased our emissions by 6.3% per year on average from fiscal 2019 to fiscal 2022. Our carbon reduction progress compares favorably to the 4.2% annual reduction expected by the SBTi methodology.

Committed to New Science-Based Targets and Improving Our Own Bottom Line

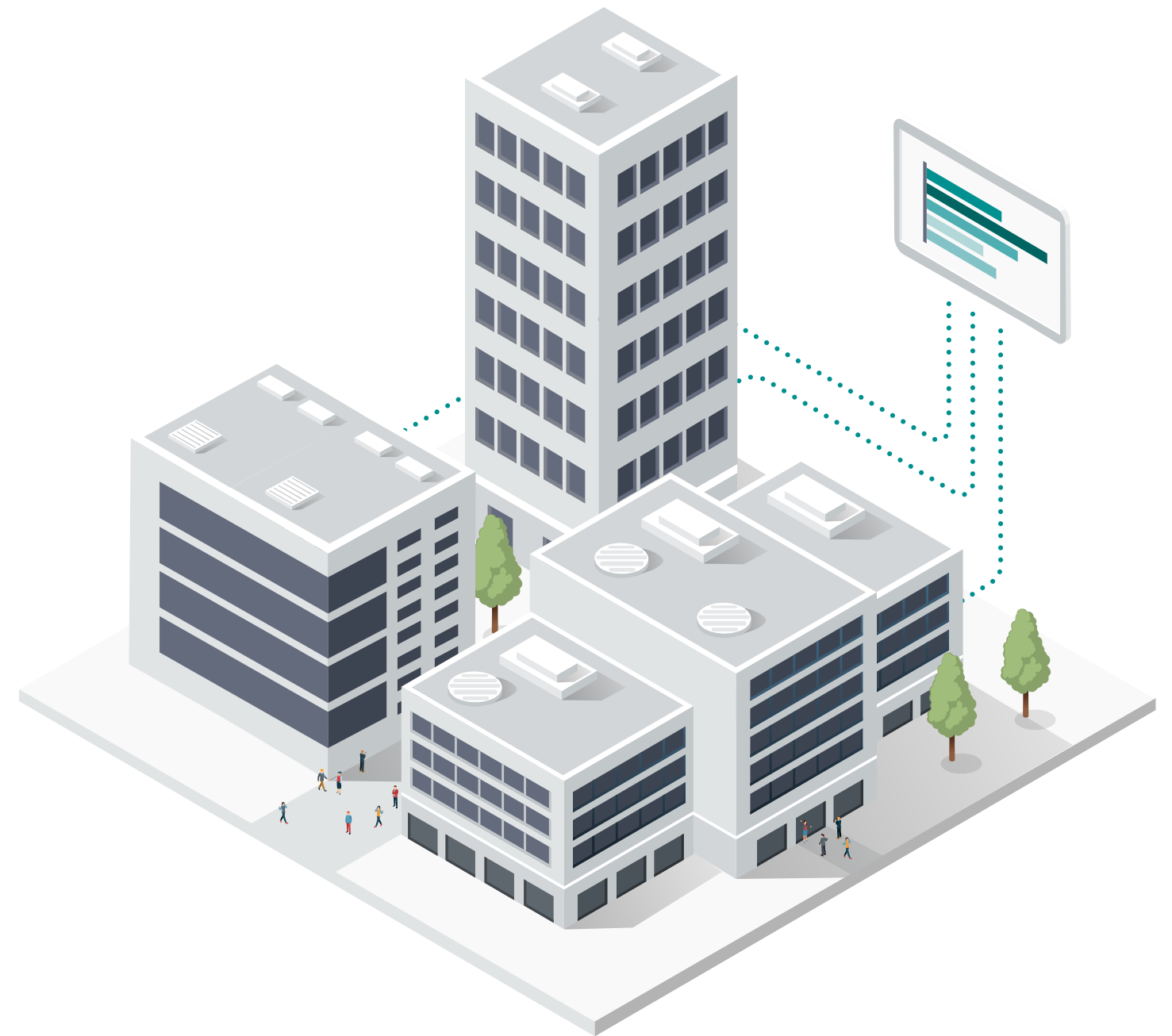
We are committed to establishing new science-based targets focused on reaching Net Zero by 2040. Using science-based targets, we are driving emissions reductions and establishing Net Zero targets in line with SBTi and current climate science consensus. We use many of our own lighting, lighting controls, and building management solutions in this effort to reduce energy usage and avoid carbon emissions while reducing our costs and improving our operating environment. By using these solutions in our own operations, we also demonstrate the many opportunities for our customers.

Some of the areas we are focusing on to achieve our Net Zero goal by 2040 are:

Reducing Scope 1 and 2 Emissions – Scope 1 emissions include direct emissions from our owned or controlled sources. Scope 2 emissions include indirect greenhouse gas emissions from the generation of the energy we purchase. Tackling our emissions head-on requires us to reduce carbon emissions from many parts of our operations. We are reducing energy consumption in our offices, production facilities, and distribution centers. We also plan to utilize more renewable energy, explore alternatives to reduce our current natural gas usage in our operations, and continue making prudent offset investments to reduce atmospheric carbon.

Reducing Scope 3 Emissions – Scope 3 emissions include all indirect emissions resulting from upstream and downstream activities by others in the value chain, including material sourcing, production, consumption, use, and disposal/recycling processes. Our customers' use of our long-lasting, energy-efficient solutions comprises the largest part of our footprint. We plan to use technological advances to make our LED lighting products even more energy efficient. We anticipate that our strategy to increase the sales of lighting controls technology will help further reduce carbon emissions through end-user energy optimization. We plan to discontinue certain legacy products, and we anticipate that future technological advances in power generation and other areas will play a critical role in curbing emissions.

In addition to our focus on emissions from the use of our sold products – our largest category of Scope 3 emissions – we are working to reduce our indirect emissions from waste, raw materials, commuting, and freight.





Neil Ashe, President and CEO, inspecting the production line during a visit to our production facility in Monterrey, Mexico.

REDUCING OUR OWN CARBON FOOTPRINT

Continuous Environmental Improvements to Facilities and Operations

Reducing our operational carbon footprint involves continually evaluating how we work and identifying opportunities for improvement. We have taken several positive steps, including:

Improving the Painting Process

Our associates are empowered to improve our business operations to reduce energy consumption. For example, in fiscal 2022, our painting team at the Guadalupe Production Facility in Mexico developed a comprehensive improvement plan to create a more sustainable painting process during the production of select outdoor lighting products. The team implemented actions to save production time, reduce material usage, and lower carbon emissions.

Process enhancements included:

- Connecting a gas meter to our Atrius® Building Insights cloud platform to provide real-time usage data.
- Introducing a redesigned, primer-less paint chemistry that allowed us to shut off one infrared oven.
- Improving floor insulation in the drying oven to help lower building temperatures by reducing the use of natural gas burners and electric blowers.
- Minimizing compressed air leaks by installing automatic shutoff electro-valves in the painting and assembly lines.
- Optimizing the use of natural gas by installing ceramic fiber panels and conducting heat uniformity studies.
- Introducing a new air filtering system to prevent dust from entering the painting environment.
- Reducing powder paint use.

As a result of these process enhancements, we avoided over 1,120 metric tons of CO₂ emissions in fiscal 2022, while using fewer raw materials. In addition, the team doubled the number of parts processed per minute on the painting line while improving workspace ergonomics.



Operational Benefits Through Tesla™ Megapack Installation

Due to increased energy demand and pressure on the electrical grid, power outages in Mexico are common. To safeguard operations from power outages, voltage anomalies, and grid distribution failures, the Monterrey Production Facility (MPF), our largest facility in Mexico, is our first location to deploy a Tesla Megapack, the largest deployment in Mexico and the second largest deployment in Latin America. This large-scale, rechargeable energy storage device can restore electrical power in 71 milliseconds and power MPF for up to three hours. With an expected 15-year life span, the Tesla Megapack will enable us to remain operational during power outages, allowing our teams to continue manufacturing and providing high-quality lighting solutions for our customers.

The Tesla Megapack charges at non-peak hours and discharges at peak hours when electricity is more expensive and more carbon-intensive. With a 20% operating reserve for power outages, the Tesla Megapack enhances our business continuity while reducing cost and strain on the electrical grid at peak times when utilities must generate the most energy. The Tesla Megapack can also store energy from a solar array that we are considering in the second phase of this project.

Reducing Water Use in Mexico

Our associates at our MPF facility developed and implemented new water-saving protocols in response to a significant drought in northern Mexico. The changes the team implemented included:

- Recycling the water used in the reverse osmosis process.
- Reducing the frequency of refreshing the water in the washing process on the paint line.
- Decreasing the water flow in the gardening irrigation and sanitary services.
- Optimizing air conditioning maintenance.
- Replacing bathroom faucets and toilets with water-efficient models.

Annually, these improvements are expected to save more than two million gallons of water, or 6.5% of our annual water consumption in Mexico, as well as over 60,000 kWh of energy.

Optimizing Pallets to Use Fewer Trucks

In fiscal 2022, our associates at MPF implemented new and better ways to produce and transport our products to reduce emissions and waste. The sleek design of the Lithonia Lighting® EPANL products enables us to use less corrugated cardboard and put more products on a pallet.



As a result, we anticipate using approximately 36 fewer trucks per year, leading to a reduction of approximately 240 metric tons of CO₂ emissions.

Joining The Better Plants Program

In fiscal 2022, we became a member of the U.S. Department of Energy's (DOE) "Better Buildings, Better Plants Program." Through our membership, we plan to follow the guidance and recommendations developed by the DOE to drive energy savings that will impact our Company and the broader industrial sector. In addition, we plan to contribute to peer exchange opportunities to share our best practices with other program members. Program membership supports our ability to meet our carbon targets and our commitment to reducing energy consumption in our North American facilities.

Achieving International Standardization Organization (ISO) Certification

In fiscal 2022, we made progress in enhancing our sustainability performance. Our eldoLED facility in the Netherlands and our Distech Controls facility in France achieved ISO 14001 certification, joining Holophane UK, which previously achieved the certification for its facility in the United Kingdom in fiscal 2021.

ISO is an independent, non-governmental international organization with a membership of 167 national standards bodies. Through its members, ISO brings together experts to share knowledge and develop voluntary, consensus-based, market-relevant International Standards that support innovation and provide solutions to global challenges. ISO 14001 is the standard for environmental management that helps facilities improve environmental performance and impact.

Installing Solar Panels at Our eldoLED and Holophane UK Facilities

Renewable energy is a key component of our Net Zero strategy. To support this strategy, our eldoLED and Holophane UK facilities invested in installing photovoltaic (solar) panels on the roofs of their buildings in Europe. These state-of-the-art installations will allow the facilities to provide up to 100% and 80% of their annual electrical power consumption, respectively, avoiding a total of up to 715 metric tons of CO₂ per year.



In addition, the Holophane UK facility is expected to return an estimated 45,000 kWh per year to the grid during times of high sunlight and low energy consumption.

Using QR Codes Reduces the Need for Printed Paper Instructions

In fiscal 2022, we replaced paper instructions for many of our ABL products with scannable QR codes. Shifting from paper instructions to digital resources has already reduced our carbon footprint by 259 metric tons of carbon emissions through saving 19 million sheets of paper and over 1,500 trees. We anticipate through these digital instructions we could save more than 1,500 metric tons of carbon per year – roughly 150 million sheets of paper and 10,000 trees.



Sach Sankpal
Senior Vice President, Growth and Transformation

“Our teams are inspired by our EarthLIGHT initiatives and will continually look for opportunities to make our operations and facilities more energy efficient. In the last year, we invested in battery storage technologies that will help reduce the stress on the power grid. In addition, our teams are challenging themselves to find opportunities to lower our input costs while driving sustainable outcomes as we assemble, store, and ship our products to our end users.”

Sach Sankpal

Senior Vice President, Growth and Transformation

REDUCING OUR CUSTOMERS' CARBON FOOTPRINT

Providing more efficient solutions to our customers enables us to be better environmental stewards.

100M Metric Tons of Carbon Avoidance

In fiscal 2021, we announced our goal to avoid 100 million metric tons of carbon emissions by fiscal 2030. Our goal is based on our projected sales of LED luminaires, lighting controls, and building controls replacing older technologies in existing buildings and driving innovation and performance across our Company. Our progress to date is shown on the opposite page.

While our corporate carbon footprint assesses the environmental impact of our products and processes, we also estimate environmental benefits of removing older, less-efficient technology from a building, which we refer to as a carbon 'handprint'. Details of how we calculate carbon avoidance can be found in our white paper entitled, "[Lighting the Way Toward Net Zero.](#)"

Helping customers reduce their carbon footprints is one way that we make a measurable impact on minimizing climate change.

Adding Energy-Efficient New Horticulture Lighting Solutions

Indoor farms are an increasingly important sustainability tool, using less land and water than traditional farming. In fiscal 2022, we launched the Verjure™ brand for our new LED professional-grade horticulture lighting solution. Verjure products promote more sustainable and consistent crop production for indoor applications using LED technology.

The Verjure Pro Series LED luminaires were designed using academic research to support all stages of plant growth. The solution delivers an ultra-high output lighting system designed to meet and exceed the performance of traditional 1000W high-pressure sodium grow lights, all while delivering up to 40% energy savings comparatively. Additionally, with the wireless nLight® AIR network lighting controls system, users can easily turn fixtures on and off, customize dimming, and adjust output levels.

Reducing, Reusing, and Recycling

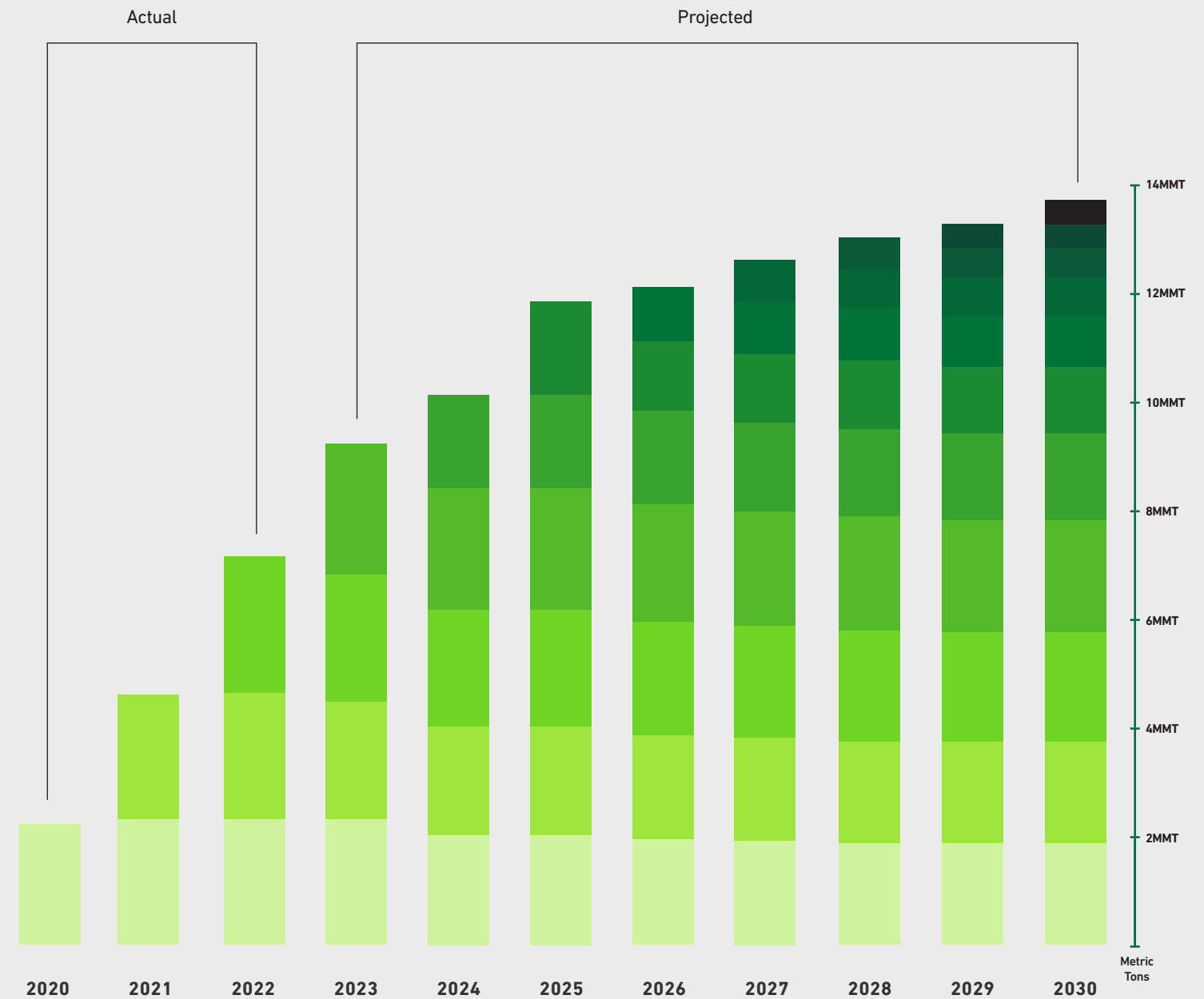
One way we are working to achieve our sustainability goals is through our product vitality progress. For example, in fiscal 2022, we introduced our new Lithonia Lighting® STACK™ family of lights. The new STACK products offer a slim design allowing for packing in fewer boxes and optimizing pallet space. Engineering improvements result in less material use and less waste at the job site. Compared with similar-sized fixtures (i.e., 2'x2' and 2'x4' lay-ins), we are now:

- Placing 128% more fixtures on each individual pallet.
- Achieving a 56% reduction in the number of pallets used each year.
- Using 74% less cardboard.
- Reusing existing access plates during retrofit lighting applications.



>100MMT

The sum of years 2020-2030 is projected to be 116 million metric tons of CO₂ avoidance.



The estimated cumulative impact of Acuity's contribution to reducing carbon emissions by 2030 is shown in this table. Future year contributions diminish due to the Grid Emission Factor, increasing efficiency of buildings undergoing renovation, and the expected leveling-off of LED efficiency.

Case Study
Creating Energy Efficient Learning Spaces

ABL worked with a New Hampshire school district that not only wanted energy savings for a brand-new middle school, but also quality lit educational and collaborative spaces that could contribute to an improved learning environment.

Oyster River Cooperative School District took on the construction of a new building for its 700-student middle school population. The 146,900 sq. ft. space is comprised of four energy efficient levels for use by students and faculty. A multifunctional Learning Commons is at the heart of the school and opens to three levels of classrooms, which also includes a student workspace and seating as an extension of the library, as well as cafeteria seating, a testing area, and community gathering to use at the start of each day.

One of the cornerstones of the project was sustainability and energy efficiency. The school and site were designed to meet Net-Positive Energy criteria with a target of achieving LEED Gold certification. To this end, multiple luminaires representing Acuity's Lithonia Lighting®, MARK Architectural Lighting™ and Eureka® brands were installed in internal and external areas throughout the school. The luminaires are controlled by an nLight® networked solution to improve overall energy efficiency.

With the expansive, multi-story Learning Commons at the center of the school, it was vital that the spaces did not feel dark and cave-like. Switch pendants from Eureka were specified to provide illumination in addition to two skylights to bring natural daylight into the space. Each arm of the Switch pendants conceals a custom-designed LED module that provides high-quality general lighting down to the space. Students have appropriate levels of illumination to engage in each of their activities, from reading and project work to eating, relaxing, or attending school gatherings. This new building will inspire and support educational journeys in the Oyster River Cooperative School District for years to come.



Switch pendants from Eureka installed in Oyster River Middle School in Durham, NH. The luminaires act as large-scale pendant 'mobiles' and animate learning commons at the heart of the school. Agent: Visible Light Specifier; Lavallee Brensinger Architects. Photographer: Shelly Harrison Photography

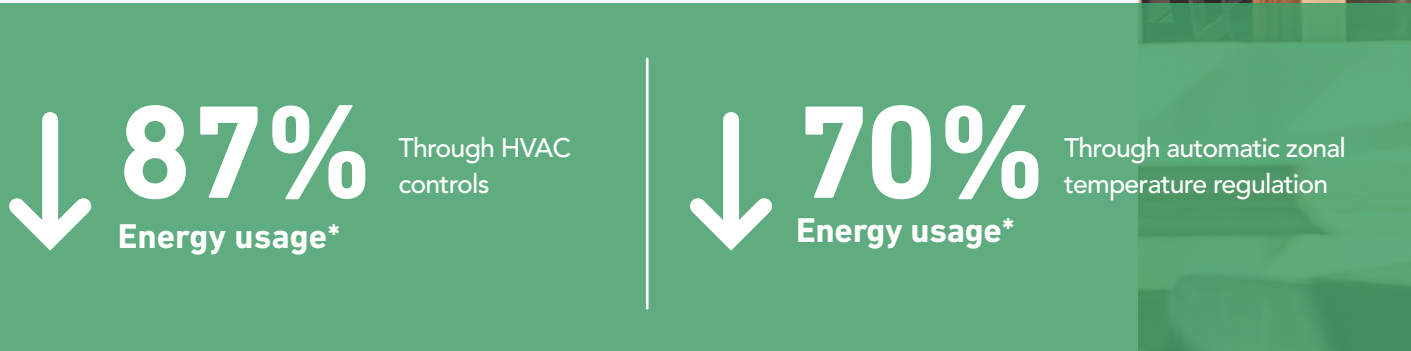
Case Study
Sustainably Transforming Lemay's Headquarters

Lemay, a design firm based in Montreal, Canada, recently embarked on the sustainable transformation of a neglected 1950s-era warehouse into its new head offices, named Le Phoenix. To support their goal for a Net Zero office, the firm's team of specialists integrated their sustainable building philosophy into all stages of the construction project. Lemay also wanted to provide a unique work environment where their staff could test new concepts and net-positive approaches for clients. Their design plans included using Distech Controls intelligent building solutions to control the building's HVAC system.

The unique mechanical design proposed for Le Phoenix required extensive control strategies to ensure the synergy and performance of all HVAC systems. As the project lead, the specialists at ACCS, a Québec company specializing in building automation and control systems, turned to Distech Controls to implement versatile smart controls and control sequences to integrate the HVAC systems with the building's management system.

The project also included integrating photovoltaic cells and a battery storage unit into the control network to provide a sustainable energy source. Energy from the battery is now released during peak times to reduce carbon emissions and energy costs. The battery was successfully interfaced with the power management system by utilizing fully programmable Distech Controls technology.

In addition, a CO₂-based demand-controlled ventilation system was added to control the supply of fresh air in the building when occupancy levels are low. Traditionally, public buildings ventilate to meet peak occupant demand, regardless of actual occupant demand. During partial occupancy, energy is wasted to heat, cool, humidify and dehumidify more outside ventilation air than is required. CO₂ sensors plus controls improve a building's energy efficiency and help ensure proper indoor air quality. Energy savings after integrating this solution were calculated using an internal simulation modeling tool. Compared to a non-automated building, the resulting energy savings would be equivalent to 87% through HVAC controls and 70% savings through automatic zonal temperature regulation.



*Energy savings calculated by using internal simulation modeling.



Trevor Palmer
President, Acuity Brands Lighting and Lighting Controls

OUR ACUITY BRANDS LIGHTING AND LIGHTING CONTROLS BUSINESS

At ABL, we provide sustainable, inspiring, and intelligent lighting solutions that enrich communities where people live, learn, work, and play.

We believe our strategy of increasing product vitality, elevating service levels, and using technology to differentiate our solutions is working by creating more sustainable options for our customers. For example, our recently launched STACK Pack™ has a slim design allowing us to use fewer boxes for packaging and fewer trucks for transportation, which helps reduce carbon emissions. In addition, we are leveraging QR code technology to minimize waste by removing paper instructions for select products. We are reinventing our portfolios faster and with more value than our competitors.

Our extensive portfolio in both lighting and lighting controls technology provides customers with a broad choice of industry-leading options.

It's incredible how our teams have innovated in fiscal 2022. The high energy, creativity, and drive of our engineering, product, sales, supply chain, and marketing teams have contributed to our progress. As a result, we are making a meaningful impact in reducing both our own and our customers' carbon footprints as we meet our EarthLIGHT commitments.

Trevor Palmer
President, Acuity Brands Lighting and Lighting Controls

ABL FISCAL 2022 HIGHLIGHTS



Award-winning Products and Services Driving Sustainability

Our award-winning lighting and lighting controls are designed to reduce energy and are packaged to reduce waste.

Awards and Certification

Acuity Brands Lighting and Lighting Controls solutions won several awards in fiscal 2022:

- **Lithonia Lighting® STACK Pack™ Named Lighting Product of the Year, Troffer Category** – We believe we have the best engineering and design teams in the industry. And it seems we aren't the only ones. Our STACK Pack luminaires, a next-generation family of lay-ins, won an EC&M Magazine award in the annual "Product of the Year Competition." This award recognizes excellence in new product development in the electrical industry and is a testament to our team's ability and to the growing role of sustainability in product and packaging design.
- Nine lighting solutions were selected by the **2022 Illuminating Engineering Society Progress Report**. Our winning products included: Absorb I and Relay suspended luminaires from A-Light™; OPTRONIC® Dual Dim LED driver and SOLOdrive® 22W Small LED driver from eldoLED®; EVO® 6" downlight and cylinders with Care222® Technology from Gotham®; 10W emergency driver with wireless reporting from IOTA®; Whisper luminaire with Care222 Technology from MARK Architectural Lighting™; CLAIRITY™ Link from nLight®; and SSW Series: Sealed Wall Plates from SensorSwitch™.
- Seven luminaires received **2022 Red Dot Awards for Product Design**. Award winners included Absorb I and Relay luminaires from A-Light; Caldera, Billie, and Henri luminaires from Eureka®; and Bellevue and Scena luminaires from Luminis®.
- Twelve architectural lighting luminaires representing the Company's Aculux®, A-Light, Eureka, Gotham, Holophane®, Hydrel®, Juno®, and Luminis brands were selected as **2021 Product Innovation Award** winners by Architectural SSL magazine.
- Seven luminaires received **GOOD DESIGN®** awards from The Chicago Athenaeum: Museum of Architecture and Design. Aloft and Align luminaires from A-Light, and Celeste, Expo, Knit, Mill, and Outline luminaires from Eureka were recognized.



- Four **LIT Design Awards™** were awarded to Absorb I and Relay luminaires by A-Light™, the Quadrant luminaire by Eureka®, and the Scena luminaire by Luminis®.
- Three products were honored with **LEDs Magazine's BrightStar Awards**; Bellevue and Scena by Luminis, and SAF1/SAF28 by Hydrel®.
- nLight®, was awarded the LEDs Magazine **2022 BrightStar Award for Product Innovation** for its Snapshot Controller.

In addition, Acuity Brands received the following recognition from several of the leading distributor buying groups and partners for our outstanding service over the last two years:

- IMARK 2022 Supplier of the Year
- AD 2021 Supplier of the Year
- IMARK 2021 Excellence in Service and Support
- Werner Electric Supply 2021 Vendor of the Year
- Border States 2021 Above and Beyond Service Excellence Award
- Kirby Risk 2021 Overall Vendor Performance

Brand Level Sustainability Campaigns

We ran several sustainability campaigns in fiscal 2022, including:

MARK Architectural Lighting: MARK architectural-grade LED luminaires are available for recessed, pendant, wall-mounted, and perimeter applications. In fiscal 2022, MARK launched a comprehensive sustainability initiative that featured operational improvements in vertical integration, with significant reductions of waste in shipping, packaging, and field instruction documentation. For example, MARK highlighted how 90% of its manufacturing inputs are either produced in-house or sourced from within 30 miles of the brand's primary production facility. In addition, MARK initiated a material transparency program that informs consumers where selected products come from and details around their material composition.

A-Light: This brand is known for its high-quality, energy-efficient lighting products that are developed with sustainability in mind. Most of its luminaires are produced using recycled aluminum, saving energy required to produce new aluminum. In addition, the recently launched A-Light Lean family of luminaires reduce carbon emissions through a combination of lightweight and recyclable materials, recycled content, a collapsible design, smaller cartons, and use of existing ceiling tiles as the reflective surface. Using one Lean luminaire equates to less shipping volume, shipping weight, and packaging than a standard 2' x 2' troffer.

Left: Eureka Billie Ceiling Suspended fixtures create a distinct look in a space and deliver efficient, uniform illumination.

OUR INTELLIGENT SPACES GROUP BUSINESS

Our ISG business makes spaces smarter, safer, and greener. Our technology helps people stay safer and healthier in the spaces they occupy, and we are making the use and control of space more accessible to all.

In fiscal 2022, our teams continued to grow our software and building controls business by creating innovative, integrated solutions. We continue to produce industry-leading products and solutions for building performance, enterprise operations, and personal experiences. Our innovations will help our customers save money and energy, reduce their carbon emissions, and help us achieve our Net Zero ambition.

By leveraging our Distech Controls® and Atrius® technologies to power built spaces we are making a valuable difference. Together these two technologies will help reduce the environmental impact of the buildings where we live, work, and play.

We are innovating by creating technology that allows spaces to act more autonomously so as to operate efficiently and cost-effectively. We are continuing to develop pioneering products, grow our partnerships, and provide exceptional service to our customers.

We are aligning business improvement with environmental impact. Atrius® Building Insights is a great example. We expanded this software solution's capabilities far beyond energy usage and cost management to now include a full suite of carbon accounting tools.

We are delivering outcomes that demonstrate how our Distech Controls and Atrius solutions work together. For example, Distech Controls products power facilities and generate data. Atrius cloud-based applications use this data to help end-users solve specific problems in spaces.

Together, our solutions deliver true edge to cloud technology and operations. Because of these technological innovations, we are helping our customers meet their sustainability targets and generate substantial energy savings.

Peter Han
President, Intelligent Spaces Group



Peter Han
President, Intelligent Spaces Group

ISG FISCAL 2022 HIGHLIGHTS



Business Partnerships and Product Innovation

Developing innovative products is only one part of achieving our sustainability goals – we also build key partnerships to help our customers reach their sustainability goals.

Microsoft® Collaboration – At Acuity, we have a bold goal to avoid 100 million metric tons of carbon emissions as a result of projected 2020-2030 sales of LED luminaires, lighting controls, and building management systems replacing older technologies in existing buildings. We estimate that building operations contribute 28% of global carbon emissions. By developing, deploying, and operating building systems with a focus on sustainability, we can materially reduce energy usage from facilities.

By combining the power of Microsoft’s Azure Digital Twin with our customer solutions, our Company and Microsoft will jointly enable end customers operating many types of facilities and buildings to forecast and calculate the environmental and financial impacts that these new lighting and building management technologies deliver.

Together with Microsoft, our goal is to integrate foundational technologies like Microsoft Azure IoT and AI with Acuity solutions that allow companies to reduce carbon emissions while saving money on operating expenses.

Left: Distech Controls® ships first ECLYPSE™ APEX controller with ECLYPSE Building Intelligence software inside.

Right: Leverage Atrius® Building Insights to achieve your most ambitious sustainability goals.

Atrius® Building Insights – New proposed U.S. Securities and Exchange Commission regulations in 2023 could require public companies to disclose their emissions, climate-related risks, and Net Zero transition plans in their annual financial reporting. Our Atrius Building Insights cloud platform helps customers automate carbon accounting for Scope 1, 2, and now, Scope 3 emissions data. Our Atrius Building Insights solution is designed to help customers reach their sustainability goals and deliver a complete picture of their facilities’ energy performance. The carbon footprint data in this EarthLIGHT Report was calculated and generated by Atrius Building Insights, and we’ll use this technology to track and report our own progress toward Net Zero.



PARTNERSHIPS AND MEMBERSHIPS ORGANIZATIONS

Our Strategic Partnerships and Membership Organizations

We are an active member of our industry. Sharing best practices with our peers through our partnerships and memberships increases our ESG impact.



Alliance to Save Energy

The Alliance to Save Energy advocates for high-impact energy efficiency policies and leads bi-partisan initiatives that drive job growth and innovation to advance energy efficiency. The Alliance has a 40-year track record of success in convening energy efficiency experts on timely policy topics to inform legislative work and regulatory agendas. Its forward-thinking approach supports energy efficiency in all sectors – from standards covering common household appliances, commercial lighting systems, and the building out of infrastructure for electric vehicles.



ALLIANCE TO SAVE ENERGY
Third Decade of Leadership

Illuminating Engineering Society

The Illuminating Engineering Society is the recognized technical and educational authority on illumination and maintains the Lighting Library, a premier set of lighting standards authored by technical experts through an American National Standards Institute (ANSI) accredited process.



Distech Controls® ECLYPSE Connected System Controller Series is ideal for central plant and mechanical equipment control.

SOCIAL

Creating an environment where the best people come to do their best work

IN THIS SECTION

- Building a Values-Driven Culture
- Associate Engagement
- Acuity Anywhere
- Advancing Our DEI Strategy
- Developing a Future-Ready Workforce
- Environmental Health and Safety
- Making a Positive Impact
- Acuity Associates Working to Make Communities Better

ABL leadership and agency principals at our annual NEXT meeting in 2022 after assembling 1,000 reusable lunch bags for children experiencing homelessness and poverty.

BUILDING A VALUES-DRIVEN CULTURE






Creating an Environment Where the Best People Come to Do Their Best Work

“We’re making great progress on building our values-driven culture. Based on the results of our latest engagement survey, associates told us we are creating a motivating and inclusive workplace – a place where the best people can do their best work. They also appreciate the investment we are making in their professional development as we are growing and changing the company. Providing our associates with more opportunities to learn and evolve is foundational to our growth mindset, change agility, and our ability to have the best talent here.”

Dianne Mills

Senior Vice President and Chief Human Resources Officer

Our shared values empower us and showcase how we will succeed together.

	Integrity	We do the right thing, the first time, every time.
	Time	Time is the only constrained resource. We focus on what is most important.
	Curiosity	We are always searching for a better way. We are willing and able to change.
	Customer obsessed	We see the world through the eyes of customers and end-users. We deliver on their needs.
	People	We create the environment where the best people come to do their best work. We all succeed together.
	Community	We care about the environment and our neighbors. We make communities better.
	Owner's Mindset	We think and act like owners. We focus on long-term, sustainable value creation.



Dianne Mills
Senior Vice President and Chief Human Resources Officer

Our shared values are brought to life by:

- Valuing diversity** – of thought, experience, and background.
- Respecting people** and seeing them clearly.
- Creating opportunities** for our associates to grow and thrive.
- Creating a shared purpose** for achieving our Company's strategic goals
- Making decisions based on our values**, which impacts how we treat each other and how we serve our customers.



Acuity associates gathered at the Acuity Brands campus in Conyers, GA.

ASSOCIATE ENGAGEMENT

Acuity associates are dedicated to delivering results. We appreciate that when we listen to them, we can learn about and remove the obstacles and challenges getting in their way. In fiscal 2022, we continued to build on the listening foundation we laid in fiscal 2021 and demonstrated impressive progress in focus areas.

Gaining Associate Insights to Evolve Our Values-Based Culture

In fiscal 2022, our Associate Engagement Survey response rate increased to 93% from 85% the year before. The resulting 11,900 responses gave us more valuable insights from our associates about our culture. Our fiscal 2022 Associate Engagement Survey results showed improvement in our Sustainable Engagement score from 84% in fiscal 2021 to 85%, which confirmed progress. Sustainable Engagement, as measured by our particular survey, considers traditional engagement as well as enablement (support for productivity) and energy (overall well-being). Many of the specific areas of opportunity identified in fiscal 2021 improved, and new areas for fiscal 2022 emerged as the Company evolved. We are now measuring ourselves against companies with distinguished financial performance as we have closed a majority of gaps against technology and manufacturing norms.

As part of our Listening Strategy in fiscal 2022, we also deployed a Total Rewards Survey to further understand what aspects of total rewards our associates most value. Many of the insights from that survey are now being used to further refine offerings and the associate value proposition.

Demonstrating Integrity

Through our ongoing Listening Strategy, we are also measuring how comfortable our associates feel contributing their ideas and opinions, and living our shared values. To evaluate how we are progressing, leveraging our all-Company Associate Engagement Survey, we gather insights on the confidence level of

our associates through five statements specifically focused on trust that proxies our annual Ethical Culture Score.** The statements are:

1. **"I am comfortable reporting dishonest or unethical practices without fear of reprisal."**
2. **"I have confidence in the decisions of my leadership."**
3. **"Leadership decisions are consistent with our values."**
4. **"Leadership cares about the well-being of associates."**
5. **"Everyone is treated with respect, regardless of their job."**

In fiscal 2022, 83% of our associates answered favorably to the statements that make up our Ethical Culture Score. They feel confident and empowered to speak up and share their ideas and concerns. We are setting our sights on further increasing our Ethical Culture Score over the next three years.

**Our annual Ethical Culture Score is comprised of the average score from an index (Trust Index) of five questions listed above within our Employee Engagement Survey.

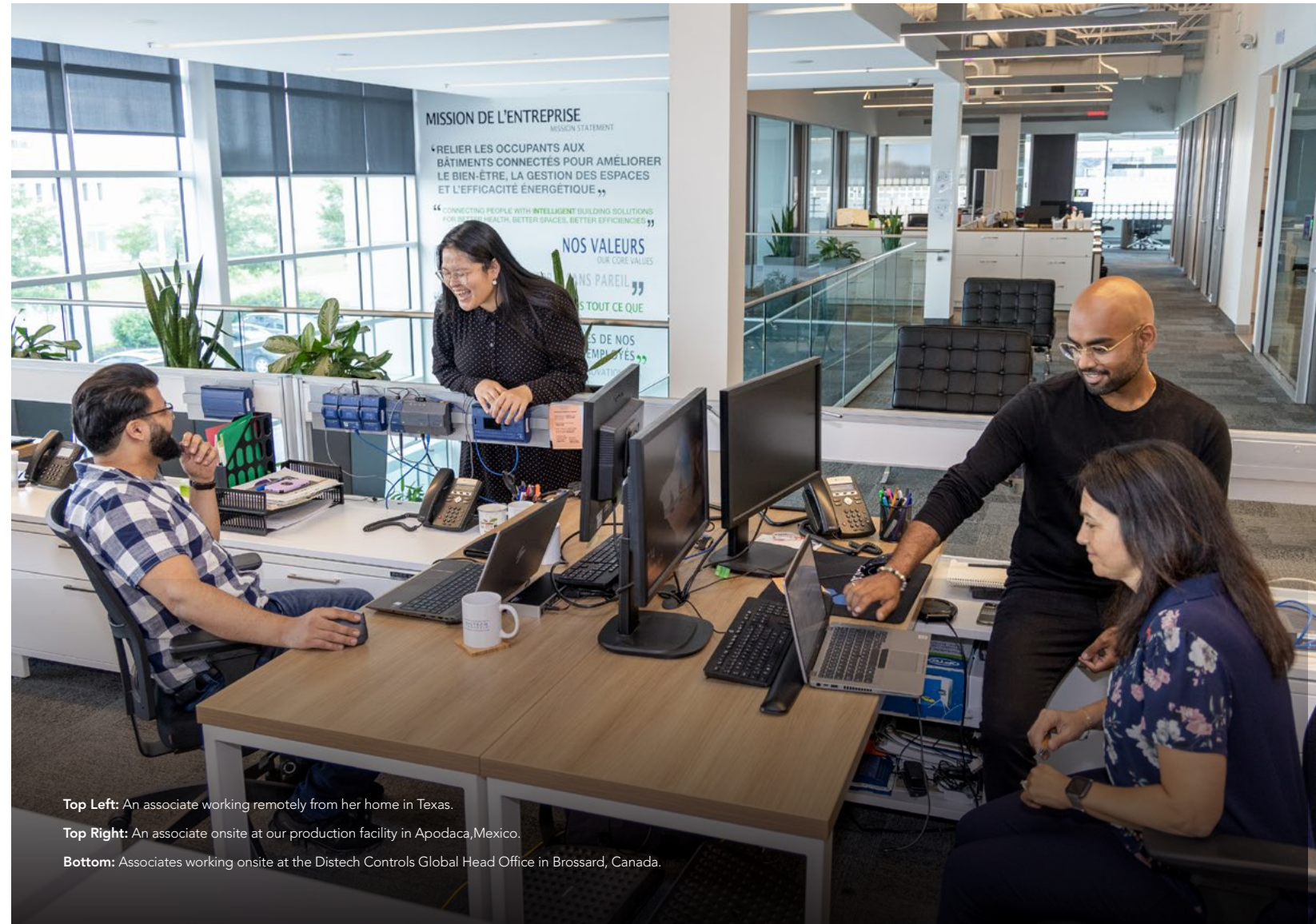
ACUITY ANYWHERE

Delivering for Our Customers While Offering Flexibility to Our Associates

Acuity Anywhere – our hybrid work model – provides access to talent across geographies as appropriate, helps lower our carbon footprint, effectively serves our customers, and offers associates more flexibility and control over when and where they work.

We are still learning and continue to refine how and when we bring teams together for work and key events to optimize the opportunities to convene and to ensure strong connectivity and business results.

Acuity Anywhere helps us attract and retain the best talent, reach our EarthLIGHT goals, and build on our foundation of productivity, collaboration, and innovation. The feedback from associates continues to be positive.



Top Left: An associate working remotely from her home in Texas.

Top Right: An associate onsite at our production facility in Apodaca, Mexico.

Bottom: Associates working onsite at the Distech Controls Global Head Office in Brossard, Canada.

CREATING THE ENVIRONMENT WHERE THE BEST PEOPLE COME TO DO THEIR BEST WORK

Advancing Our DEI Strategy

Diversity, equity, and inclusion (DEI) continued to be an important focus during fiscal 2022 as we work to be the place where the best people come to do their best work. We completed the first year of a three-year DEI strategic roadmap. Some of the primary initiatives for this first year included building out infrastructure to support company-wide initiatives, communicating about the roadmap and our initiatives, and further affirming to our associates our belief that our organization works best when we have diversity of people, experiences, and thoughts.

We believe our diversity efforts should be highly integrated with our business processes and strategies. We have paid particular attention to opportunities to improve inclusion through our talent processes – talent acquisition, performance management, succession, and development planning. The implementation of our three-year road map is helping to deeply embed our DEI strategy throughout the organization. Our roadmap consists of six value pillars that inform the strategic direction of our DEI work, while our annual key initiatives enable and measure our DEI progress.

One of our primary objectives in fiscal 2022 was to further define what DEI means at Acuity Brands and demonstrate the accountability to progress that our leaders feel. The overarching objective of our DEI strategy and roadmap is to understand and improve inclusion at Acuity Brands.



We believe that when associates feel they belong, they can do their best work. We measured our progress on inclusion at the highest level based on the inclusion index – a series of three statements that are part of our Associate Engagement Survey. The statements are:

1. **“I can be myself at Acuity Brands without worrying about how I will be accepted.”**
2. **“Leadership supports diversity and inclusion at Acuity Brands.”**
3. **“Leadership supports equal opportunities for all associates.”**

Total favorable percentage improved on all 3 statements from fiscal 2021 to fiscal 2022. The overall index improved from 82% to 84%.

We have built leadership support through DEI Council meetings, Employee Resource Group (ERG) events, and internal publications. We’ve also engaged and aligned associates through Acuity Town Halls, our Human Resources programs, and through listening and awareness initiatives.

We just completed a fiscal 2022 pay equity study and are taking appropriate actions based on the findings.



Externally our DEI strategy and activities have been highlighted on our website, on social media, and through community engagement activities.

In fiscal 2022 our key DEI initiatives included:

- Defining what DEI means at Acuity and demonstrating leadership accountability.
- Enhancing our Employee Resource Group strategy and resources.
- Implementing ongoing listening and training strategies.
- Refining our talent acquisition strategy.
- Conducting a pay equity study.

Under our value pillars in fiscal 2022 we have:

- Launched an online associate learning and development training platform.
- Launched new associate benefits.
- Organized ongoing community volunteering activities.
- Created and enhanced workforce training initiatives.
- Celebrated our diverse culture in ongoing social media campaigns.
- Expanded the number of ERG-led professional development opportunities and speaker series.

Driving Engagement and Employee Development with Employee Resource Groups

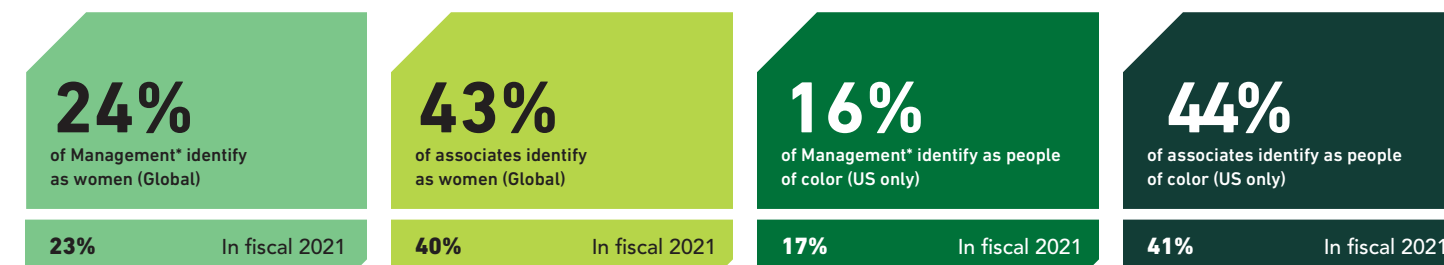
Our ERGs include Minorities Amplifying Growth, Inclusion, and Community (MAGIC); The Women’s Network; and People Respecting Identity, Diversity, and Equity (PRIDE).

The DEI Council formalized the role of our Employee Resource Groups and provided them with budgets, training, and listening tools. We also made it easier for associates interested in organizing an ERG to do so. In fiscal 2022, the membership of our ERGs grew by approximately 66%. These groups support our Company by keeping our associates engaged and connected and by increasing the sense of belonging year-round. We believe ERGs are essential for fostering and reaffirming the supportive, caring, and inclusive culture we aim to create. Our ERGs also provide our leadership with a valuable source of rich input, insight, and experience to drive sustainable long-term growth.

Each ERG is represented on the DEI council and has done an excellent job implementing our DEI initiatives and customizing those opportunities within their respective communities. As a result of the council, we are enhancing our ability to work together to address common challenges and make the most of shared opportunities.

Our ERG groups hosted more than 30 associate engagement events in fiscal 2022, including book clubs, community service events, leadership development sessions, mental health discussions, and listening sessions to educate, develop, engage, and inspire associates.

As part of our DEI Listening Strategy, when our ERGs host events, we send post-event surveys to our associates. We capture feedback to gauge satisfaction and improve future events.



*Management is defined as Vice President and above.

"I am proud to be a part of the Women's Network. We provide a range of meaningful programming that supports the personal and professional growth of not just women, but all our associates. Together with our other ERGs, we are living our shared values by supporting our People and our Communities."

Loren Kalish West

Vice President and Deputy General Counsel
Women's Network Co-Chair



"Our Company has made significant progress this past year. The changes to our benefits, recruitment, and processes bring in and keep more diverse associates."

Patrick Atchison

Manager, Compliance
PRIDE ERG Co-Founder



"Acuity has fostered a sense of belonging in the last couple of years. We have worked to create an environment where we can share experiences, empower one another, and promote growth."

Tawana Jones

Director, Software Quality Engineering
MAGIC Co-Chair



DEVELOPING A FUTURE-READY WORKFORCE

We are creating an environment where the best people can come to do their best work. In addition, we are developing future talent by investing in our associates and the communities where we operate.

Enhancing Associate Development and Training

We are improving our ability to help associates advance their careers and achieve learning and development goals. For example, in response to Engagement Survey feedback, we launched Skillsoft Percipio in fiscal 2022. This new learning and development training platform content will support professional development by helping associates strengthen their skills, uncover new professional interests, and expand their business acumen through podcasts, on-demand videos, and university-provided training.

Within the first 60 days of launching Skillsoft Percipio, 30% of our salaried associates completed a training course. We've received positive feedback and plan to continue to evolve the platform to meet the ever-changing development needs of our associates.

Leadership Program

Our Leadership Program (LP) is an invaluable source of college talent for Acuity. With more than 20 years of proven results, the program continues to recruit recent college graduates into specific disciplines in order to develop them through a series of rotational experiences. These experiences are full-time and designed to enhance early career development.

Specific programs include:

- Electrical and Software Engineering
- Finance and Accounting
- Human Resources
- Marketing
- Supply Chain

In fiscal 2022, there were 40 participants in the program.



"The Leadership Program has enabled me to learn from multiple teams across Acuity. Each team has taught me new tools, technologies, and techniques that have directly helped me in the next rotation or given me insight into solving business problems. In addition, the perspective you can gain from rotating through different departments, and finding what work is most fulfilling, is an incredible opportunity for self-improvement. Ultimately, the Leadership Program has empowered me to do my best work and meaningfully contribute to my team and Acuity."

Brady Simon
Application Development LP

"When I accepted the offer to join Acuity Brands as part of the Leadership Program in 2004, I had no idea I was taking the first step into a fulfilling, challenging, and rewarding career. The program allowed me to develop a broad knowledge base across product, marketing, and sales. I learned about the business, but most importantly, I formed relationships across different functional areas that have served me well for years to come. I am very thankful for the experiences and the foundation of knowledge I received as an LP (or trainees, as we were called at that time). It is an incredible program for those participating and a strategic investment for us as an organization."

Amra Boucher
SVP Marketing & Pricing, ABL (former LP)



Internship Program

During the summer of fiscal 2022, we welcomed more than 30 interns from various colleges and universities to our facilities to gain work experience and to give them a realistic job preview to consider after graduation. Students gained insight, mentorship, and hands-on experience to augment their educational experiences. In exchange, interns contributed their talents by understanding and working in support of our business goals and objectives.



“My overall goal was to learn more about outside sales and make more connections. Having worked for a rep agency before Acuity Brands, I was excited to learn about the other side of the lighting business.”

Shannon McWilliams
Sales Intern
University of Saint Thomas



“Through this internship, I wanted to learn more about the skills and processes necessary to make a communications team successful in a corporate setting. I was very excited to work in a large company that is diving further into the technology sector.”

Zach Hales
Corporate Communications Intern
Brigham Young University-Idaho

Creating Talent Pipelines and Career Pathways for Youth

Distech Controls Apprenticeship Program – The industrial technology sector is facing persistent job vacancies, rising labor costs, and technician skill gaps. To improve the talent pipeline, Distech Controls participates in an Emerging Technology Apprenticeship Program (ETA) which encourages system integrators to train apprentices. Distech Controls offers IT training for participants. The program focuses on Automation Specialists and is designed to strengthen the competencies for those in entry-level technology roles.



Apprentices receive a stipend, mentor support, and on-the-job and in-classroom training.

Since the program began, Distech Controls has partnered with 27 System Integrators on the Automation Specialist Apprenticeship Program to develop future workers.



Atlanta Press Club – We sponsored The Atlanta Press Club’s 2022 Internship Program to support the next generation of journalists in the community. With our sponsorship, the Atlanta Press Club provided six students with valuable work experience at Atlanta’s top media outlets.



U.S. President Volunteer Service Award – In fiscal 2022, we received a U.S. President’s Bronze Volunteer Service Award. We were proud to be recognized for our volunteer efforts with Junior Achievement to prepare high school students for career and work readiness.

ENVIRONMENTAL HEALTH AND SAFETY

We are fully committed to our associates' health, safety, and well-being.

Evolving Environmental Health and Safety

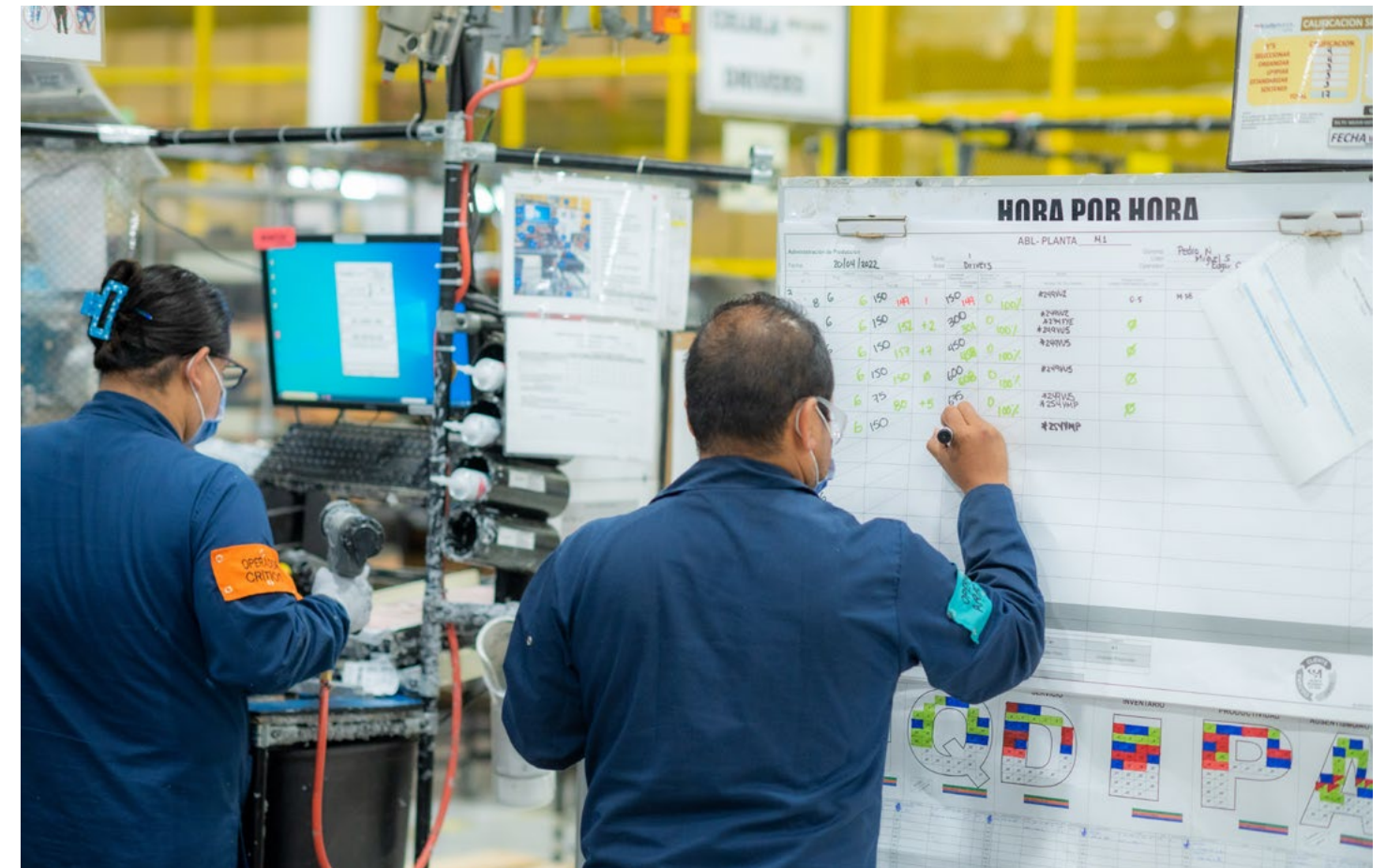
Continuing on our journey toward world-class Environmental Health and Safety (EHS) excellence, we began a multi-year initiative to evolve our EHS strategy and management system and increase our utilization of technology to transform our workplace. The ISO standards for Environmental Management Systems (ISO 14001) and Occupational Health and Safety Management Systems (ISO 45001) continue to be the basis for our evolution.

As we developed our EHS evolution strategy, we started with feedback from our management team, EHS leaders, and other associates to better understand where we can continue to expand and enhance our EHS efforts with a focus on proactively eliminating hazards and exposures. We also looked externally to ensure we aligned with the latest best practices. This approach helped us identify our priorities for the next couple of years as we move further toward EHS excellence.

As part of our multi-year EHS evolution, we redefined our roles and responsibilities and refreshed our global EHS Policy. We added additional resources to our corporate EHS team to help enhance support and best practice sharing for our locations. In addition, we established a new EHS Leadership Council of senior leaders throughout the Company to help define and support our overall EHS strategy and management system and ensure a culture in which everyone can feel comfortable sharing their input.

Our EHS evolution is also focused on increasing and optimizing our use of technology. In fiscal 2022, we started implementing the VelocityEHS Accelerate® Platform to better automate our processes and insights. Our teams in Mexico have already started to leverage this process to standardize and refresh our compliance calendars for easy transition to the new platform. We are excited about implementing the VelocityEHS Accelerate Platform in fiscal 2023, and the additional process and procedure updates that will help us continue to improve.

Ultimately, we want to inspire associate health and safety ownership at all levels within the Company.



Top: An associate tracking production progress at our production facility in Monterrey, Mexico.

Bottom: An associate assembling a fixture at our production facility in Conyers, GA.

Leadership and Development Training for Our EHS Leaders

In fiscal 2022, we were excited to bring EHS and other leaders together for in-depth Occupational Safety and Health Administration (OSHA) Outreach Training. Taking a team approach, we convened associates from geographically diverse locations to provide guidance to site leaders on managing their programs.

The in-person training session was held with EHS leaders in Conyers, Georgia. Thirty-two attendees from 19 facilities and four countries participated, and our CEO and other senior executives supported the training. Attendees gained knowledge and skills that will help their teams prevent injuries and keep their workplaces safe and productive.

In addition, we implemented online training through Skillsoft Percipio and monthly training sessions for our EHS leaders to enhance their knowledge of EHS areas and share best practices.

Celebrating Health and Safety

Improving health and safety awareness across our global sites is an annual priority. In fiscal 2022, the EHS team celebrated the International Labor Organization’s World Day for Safety and Health at Work for the first time. We hosted a global celebration day to engage associates at our facilities. The operations and supply chain teams were encouraged to act together to build a positive safety and health culture and take personal responsibility to help improve EHS in our facilities.

Left: An associate working to prepare a shipment in our production facility in Conyers, GA
Right: Acuity leaders and executives gathered in our production facility in Apodaca, Mexico.



MAKING A POSITIVE IMPACT

The actions we take today help create a better future in the communities where we live and work.

Our community impact activities in fiscal 2022 included:

EarthLIGHT in Action – The EarthLIGHT in Action campaign drove a “Think Global, Act Local” mindset with our third-party Independent Sales Network. We challenged our network to get involved and give back to their communities. Many were already active and embraced the opportunity to do more, which inspired others to get involved. The EarthLIGHT in Action hashtag on social media featured our agents’ images and community impact stories in fiscal 2022.

In fiscal 2022, our agents completed philanthropic activities to positively impact local communities, the environment, and each other, benefiting over 160 organizations. Each group took a different approach to their outreach. They chose activities reflecting causes valuable to their local communities, including fundraising, clothing collection, blood drives, beach cleanups, toy donations, and more.

Highlights of our agents putting EarthLIGHT in Action included: Symmetry Lighting serving as volunteers at Hastings Sunrise Community Policing Centre for an East Vancouver Community cleanup initiative; West Michigan Lighting & Controls donating clothing to the Women’s Resource Center to help provide clothes for women to wear on job interviews; and Gasser Bush Associates repainting the residential unit at the Methodist Children’s Village, a center focused on developmentally based education.

At our annual NEXT meeting, agency principals assembled 1,000 reusable lunch bags full of non-perishable food items and wrote notes of encouragement for children experiencing homelessness and poverty.



The bags were donated to the Gateway Center and Wilderness Works – two local Atlanta, GA charities benefiting the homeless. In addition, our agents, along with matching funds from our Company and CEO, donated \$20,000 to the Gateway Center.

Additionally, the top participating agencies selected a charity meaningful to them to receive a \$10,000 donation in their honor from Acuity Brands, enhancing their local charitable impact.

The campaign was widely successful and quickly exceeded our original goals for engagement. Acuity associates and customers began proudly using the hashtag to highlight their personal outreach activities. The campaign’s impact demonstrated to a broader audience how companies can engage their network to act locally and put EarthLIGHT in Action.

Conferences CONNECTed to Community

Hundreds of Distech Controls customers and associates came together at our CONNECT 2022 Conference to assemble and donate 200 summer camp bags for Surf & Turf Therapy, which offers surf and hippotherapy to assist differently-abled children. They also donated \$8,000 to sponsor a child’s therapy for one year.



ACUITY ASSOCIATES WORKING TO MAKE COMMUNITIES BETTER

We care about the environment and our neighbors. We make communities better.

We have a rich history of community engagement and encourage all associates to find new and more effective ways to help our neighbors as well as the environment. Some fiscal 2022 highlights of our associates making a difference in their community include:

Making Atlanta Greener – Helping build team spirit and foster associate engagement, members of our Marketing and Sustainability team worked in partnership with the charitable organization, Trees Atlanta. The team helped to maintain and weed 100 trees along the Atlanta BeltLine Arboretum – one of the largest, most wide-ranging urban redevelopment programs in the United States.

Making Communities Cleaner – The Women’s Network empowered its members to get together to improve their local environments. Associates from our Conyers, Georgia; Des Plaines, Illinois; Dallas, Texas; and Monterrey, Mexico facilities partnered with local organizations to participate in community waste-removal events.

Making Spaces Better – To help create a family-friendly environment for the local community, our Indiana Production Facility in Crawfordsville collaborated with the Montgomery County 4-H Club. Working as a team, they relit the community’s 4-H facility to create a more energy-efficient and safer space to host events for the city’s youth. The transition to new lighting will help the 4-H community save over 22,000 kWh of energy annually.



Making Spaces Safer – Acuity donated Lithonia Lighting® JBEL fixtures for the Atlanta Police Foundation’s newly renovated At-Promise Center, a youth crime diversion program facility. The Center is designed to reduce crime by giving youth a safe space to go after school.

Encouraging STEM education – In honor of Juneteenth, our MAGIC ERG gave back to the local community by volunteering with Children’s Healthcare of Atlanta, which provides pediatric care to Georgia’s youth. To combine education and entertainment, MAGIC packaged and delivered 100 STEM (science, technology, engineering, and math) activity kits for patients, which included science kits, painting supplies, stickers, math books, coloring books, and more.

Turning Footsteps into Service – Distech Controls associates in Europe raised more than €7,000 by collectively running or walking 400 kilometers. Donations were made to Guide Dogs for the Blind and services for local homeless and at-risk individuals.





Candace Steele Flippin
Senior Vice President and Chief Communications Officer

“I’m really proud of our EarthLIGHT progress and the steps we took to transform. In fiscal 2022, we became more inclusive, further engaged our associates, advanced our sustainability goals, and established ourselves as a values-driven organization. We’re positioned to have an even greater impact in fiscal 2023, and I’m excited for what’s to come.”

Candace Steele Flippin

Senior Vice President and Chief Communications Officer



GOVERNANCE

Enhancing Governance

IN THIS SECTION

- Creating Lasting Value Through High Ethical Standards
- Prioritizing Data Privacy and Security
- Partnering with Suppliers to Expand Our Impact
- Meet Our Board of Directors
- Corporate Governance Enhancements

CREATING LASTING VALUE THROUGH HIGH ETHICAL STANDARDS

Enhancing Our Code of Conduct Training Platform

Our associates and leadership teams are committed to operating in a way that aligns with our values and complies with applicable laws. All associates receive training on the Code of Conduct, which is recertified annually, to educate about how ethics and integrity are applied to everyday business situations. In calendar year 2022, we refreshed our Code of Conduct to include our shared values and an updated message from our CEO reiterating our commitment to high ethical standards.

In addition, we adopted new technology to deploy our Code of Conduct and Business Ethics training which helps us manage and track compliance more effectively. In fiscal 2022, we began the implementation of new Ethics and Compliance software that provides more data automation and insight features. Once deployed in fiscal 2023, associates will have a more user-friendly experience, including accessibility via mobile devices.

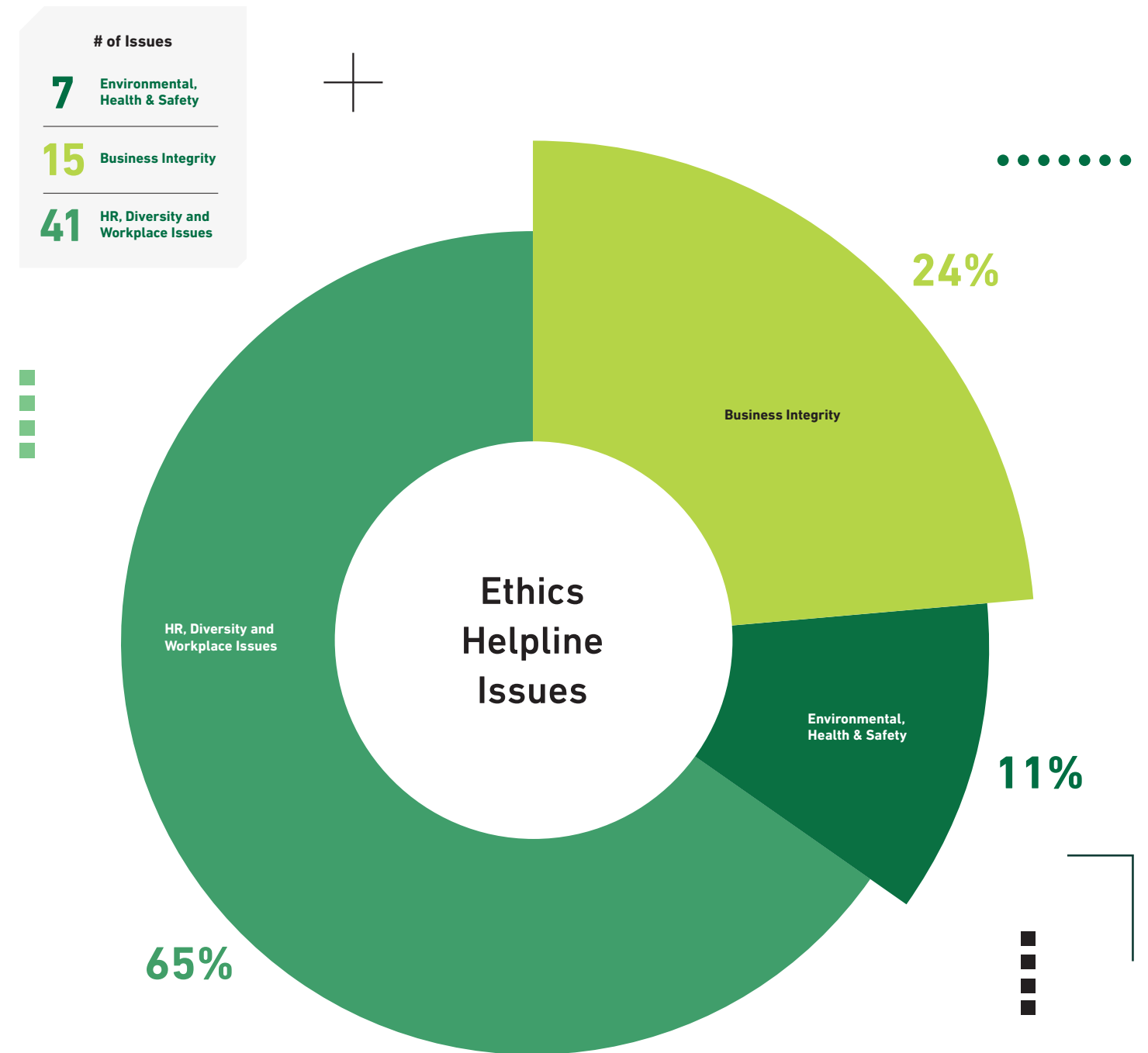
Leading with Integrity

Intended to enable our value of integrity, in which we do the right thing, the first time, every time, our Ethics Helpline, available 24/7/365, provides a resource for associates and third-parties around the world to report ethical or operational concerns in a confidential and risk-free manner. In addition, as described above, we've implemented an Ethical Culture Score in our new ESG targets that allows us to better gauge the health of our culture.

In fiscal 2022, we investigated and closed 63 reports in an average of 69 days.*

*The average report close time increased in fiscal 2022 compared to fiscal 2021 due to impacts from COVID-19 variants.

We have also updated our **Policy on Political Activities and Public Policy Engagement** to describe better how we engage with industry groups, trade associations, and government officials to educate and advance our business strategy without supporting any political parties. That policy statement can be viewed [here](#).



Out of the 63 reports in fiscal 2022:

27%

Were Substantiated

14%

Resulted in Termination

10%

Resulted in Disciplinary Actions

19%

Resulted in Policy/ Process Coaching and Review Activities

69 days

Average close time for ethics helpline issue

PRIORITIZING DATA PRIVACY AND SECURITY

In fiscal 2022, we continued to strengthen and enhance our policies, practices, procedures, and operations around data privacy and security. Our investments included adding people in focused, senior-level positions (including naming our first Chief Data Privacy Officer, establishing a new, full-time Chief Information Security Officer position, and hiring a new Senior Vice President and Chief Information Officer) and making significant investments in new hardware, software, and capabilities that strengthen our systems and infrastructure.

In an increasingly digital world, a robust and effective approach to data privacy and security is essential to operating our business.

We are committed to providing the highest standards of security and privacy. The Bluetooth® wireless devices that form the foundation of our sensory network conform fully with the requirements of California's Civil Code Title 1.81.26 Security of Connected Devices (known as SB-327). The Company received a Service Organization Control (SOC) 2 Type 2 attestation report that builds on the Type 1 affirmation previously received and demonstrates our commitment to incorporating data privacy into the technology we develop.

The scope of the Type 2 report covers our products, systems, applications, networks, development processes, human resources, and information assets as they apply to the handling of restricted information and development of products that comprise key components from our Digital Lighting Networks, Atrius® Technology Solutions, and Distech Control® Building Management Systems.

You can read our complete Privacy Statement [here](#).



PARTNERING WITH SUPPLIERS TO EXPAND OUR IMPACT

Responsible Sourcing is where cost, quality, and delivery intersect with Lean, sustainable, safe, and responsible manufacturing.

In fiscal 2022, we focused on partnering with strategic suppliers to improve sustainability for our Company and theirs. Through site visits, we uncovered opportunities ranging from wood pallet and cardboard reduction to efficient truck utilization, LED and solar conversion, increased recycling and waste elimination, and Lean process improvements. We also assessed our overall supply chain ESG strategy using supplier surveys to gather pertinent information. These efforts helped us share sustainability ideas across the supply chain.

It's exciting to confirm that many strategic vendors want to learn more about EarthLIGHT, advance their ESG journeys, and share their knowledge with us. Our suppliers value Lean, sustainable projects that contribute to making their workplaces safe, and by providing the right tools, systems, and training, we are helping their teams be successful. We appreciate doing business with vendors who share our values and prioritize their ESG commitments.

We are developing a **responsible sourcing metric** to track and recognize our suppliers' ESG journeys. We will measure our suppliers' achievements, encourage improvements in their carbon footprint and other environmental impacts, assess how they improve conditions for their associates and communities, and evaluate how they demonstrate their integrity and ethical commitments. Their progress over time will be integrated into our supplier scorecards.

By partnering with our suppliers on EarthLIGHT, we will learn, grow, and win together by building a more responsible and sustainable supply chain.



MEET OUR BOARD OF DIRECTORS



Neil M. Ashe

Chairman, President and Chief Executive Officer, Acuity Brands, Inc



Marcia J. Avedon, Ph.D

Chief Executive Officer, Avedon Advisory, LLC; Former Executive Vice President, Chief Human Resources, Marketing And Communications Officer, Trane Technologies PLC



W. Patrick Battle

Managing Partner, Stillwater Family Holdings



Maya Leibman

Executive Vice President and Chief Information Officer, American Airlines Group, Inc.



Laura O'Shaughnessy

Board Director and Independent Consultant; Co-Founder and Chief Executive Officer, SocialCode, LLC



Dominic J. Pileggi^{2,5}

Former Chairman, Chief Executive Officer and President, Thomas and Betts Corporation



Michael J. Bender

Former President and Chief Executive Officer, Eyemart Express, LLC



G. Douglas Dillard, Jr

Managing Partner, Slewgrass Capital, LLC and Slewgrass Partners, LLC



James H. Hance, Jr.^{3,4}

Director and Operating Executive, The Carlyle Group LP



Ray M. Robinson⁵

Non-Executive Chairman, Citizens Trust Bank; President, Emeritus East Lake Golf Club



Mark J. Sachleben

Advisor to the CFO, New Relic, Inc.



Mary A. Winston¹

President, WinsCo Enterprises, Inc. Former Executive Vice President and Chief Financial Officer, Family Dollar Stores, Inc.

- 1. Chair of Audit Committee
- 2. Chair of Compensation and Management Development Committee

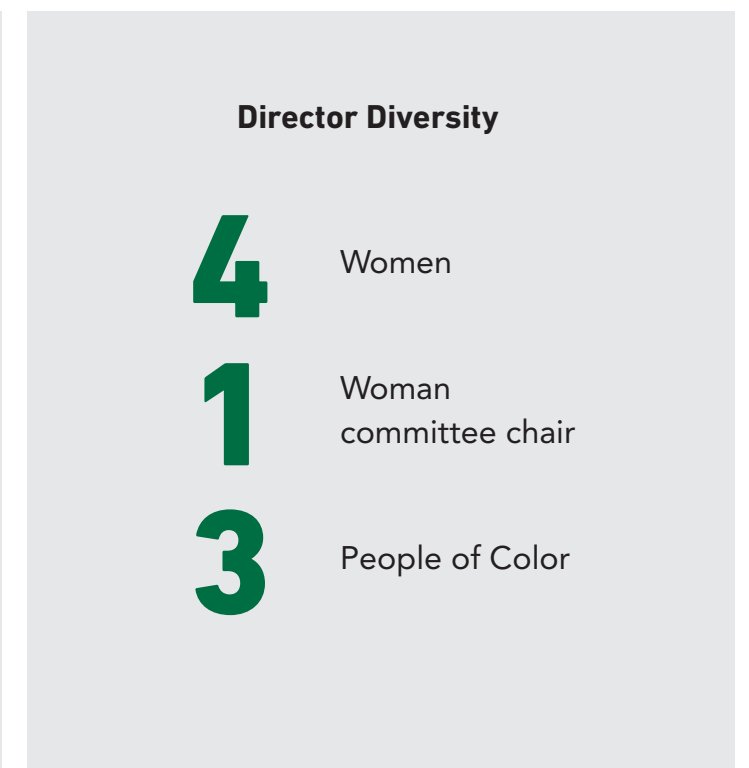
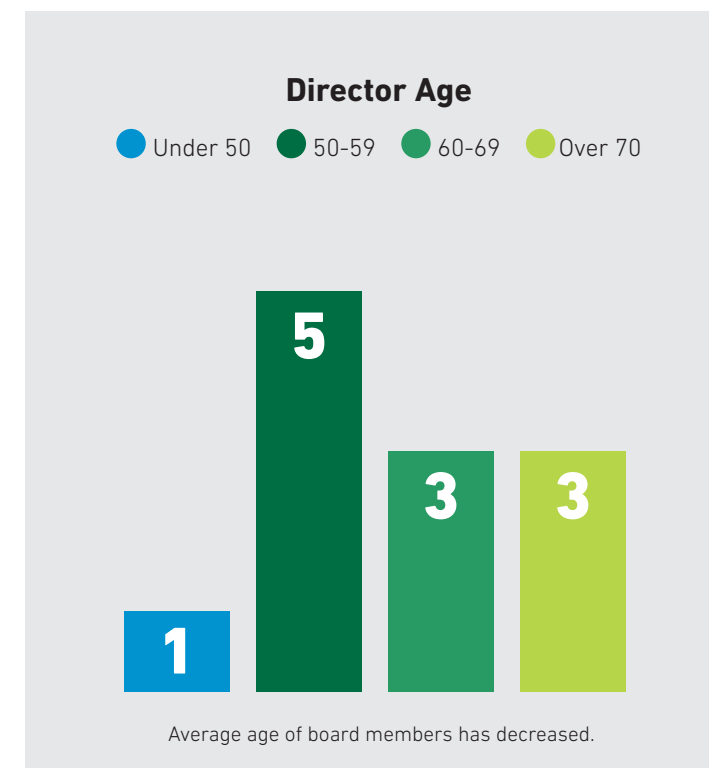
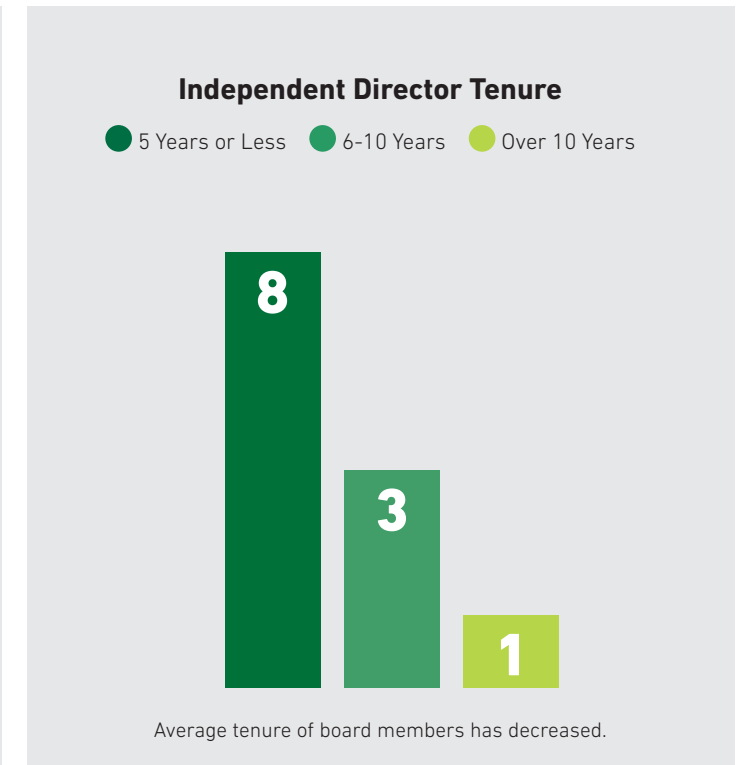
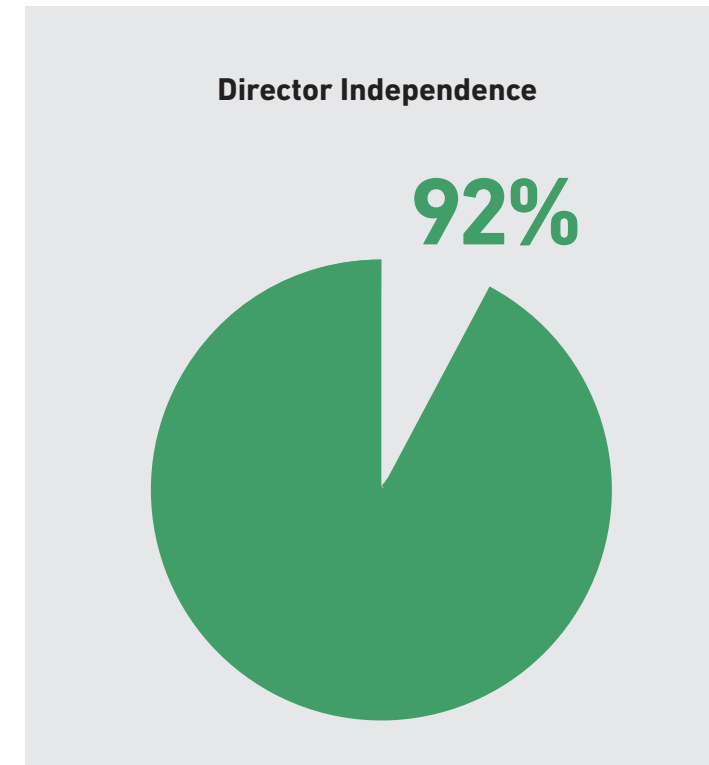
- 3. Chair of Governance Committee
- 4. Lead Independent Director
- 5. Retiring in January 2023

Board members reported as of November 29, 2022

CORPORATE GOVERNANCE ENHANCEMENTS

Through ongoing Board of Directors (Board) review and refreshment, our Board regularly evaluates and enhances our corporate governance practices. Over the past several years, we made the following corporate governance enhancements:

- Declassified our Board and adopted a majority voting standard for non-contested elections
- Amended our Corporate Governance Guidelines to set age 75 as the retirement age for our Directors, except in unique or extenuating circumstances
- Amended our Code of Ethics and Business Conduct to highlight our commitment to prohibiting discrimination on the basis of sexual orientation, gender identity, and gender expression and to highlight our commitment to prohibiting child labor
- Adopted a Board Diversity Policy
- Amended our Governance Committee Charter to provide for their oversight of ESG
- Amended the Company's By-Laws and Certificate of Incorporation to eliminate supermajority voting provisions
- Amended the Company's Certificate of Incorporation to allow By-Law amendment granting stockholders' the right to call a special meeting
- Continued refreshment of our Board membership, the leadership of each of our standing committees, and the membership of our standing committees, including focused succession planning in each area
- Developed new Policy on Political Activities and Public Policy Engagement



SASB INDEX

Disclosures are influenced by the Sustainability Accounting Standards Board’s (SASB) standards for Electrical & Electronic Equipment and Software & IT Services. This report covers fiscal 2022 results, and assumptions collected from September 1, 2021 to August 31, 2022. For information concerning the current fiscal year, please refer to the Company’s latest quarterly reports and other filings with the SEC. These documents are available online at investors.acuitybrands.com.

Electrical & Electronic Equipment

Topic	SASB Accounting Metric	Code	Acuity Fiscal 2022 Data
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	RT-EE-130a.1	(1) 977,517 GJ; (2) 40%. Note that in past years, we reported percentage grid electricity with total electricity as the denominator. For fiscal 2022, this has been corrected to total energy as the denominator, which is why the response has declined from 100% to 40%; (3) 3%.
	Amount of hazardous waste generated, percentage recycled	RT-EE-150a.1	Each facility complies with local regulations regarding disposal or recycling of hazardous waste.
Hazardous Waste Management	Number and aggregate quantity of reportable spills, quantity recovered	RT-EE-150a.2	0 kg. We had zero reportable spills in fiscal 2022.
	Number of recalls issued, total units recalled	RT-EE-250a.1	Zero recalls in fiscal 2022.
Product Safety	Total amount of monetary losses as a result of legal proceedings associated with product safety	RT-EE-250a.2	\$0 USD

Topic	SASB Accounting Metric	Code	Acuity Fiscal 2022 Data
Product Lifecycle Management	Percentage of products by revenue that contain IEC 62474 declarable substances	RT-EE-410a.1	We do not directly purchase or use any IEC 62474 declarable substances. Our supply agreements specify that goods purchased by Acuity Brands under said agreements will not contain any substances on the RoHS or REACH lists.
	Percentage of eligible products, by revenue, that meet ENERGY STAR® criteria	RT-EE-410a.2	Approximately 8.6% in the year ending December 31, 2021.
	Revenue from renewable energy-related and energy efficiency-related products	RT-EE-410a.3	86%
Materials Sourcing	Description of the management of risks associated with the use of critical materials	RT-EE-440a.1	See page 7 of fiscal 2022 10-K.
Business Ethics	Description of policies and practices for prevention of: (1) corruption and bribery and (2) anti-competitive behavior	RT-EE-510a.1	See Anti-Bribery and Anti-Corruption Program Overview . See pages 11-12 of Code of Ethics and Business Conduct .
	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	RT-EE-510a.2	\$0 USD
	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	RT-EE-510a.3	\$0 USD
Activity Metrics	Number of units produced by product category	RT-EE-000.A	We do not disclose the number of units produced.
	Number of employees	RT-EE-000.B	13,200 as of August 31, 2022.

Software & IT Services

Topic	SASB Accounting Metric	Code	Acuity Fiscal 2022 Data
Environmental Footprint of Hardware Infrastructure	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	TC-SI-130a.1	(1) 977,517 GJ; (2) 40%. Note that in past years, we reported percentage grid electricity with total electricity as the denominator. For fiscal 2022, this has been corrected to total energy as the denominator, which is why the response has declined from 100% to 40%; (3) 3%.
	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	TC-SI-130a.2	(1) 344.56 megaliters; (2) 38% of withdrawals.
	Discussion of the integration of environmental considerations into strategic planning for data center needs	TC-SI-130a.3	We have been moving forward with a "cloud-first" data center strategy for the past five years. Our strategy will move production data processing capacity and data storage to 20% on-prem and 80% cloud over several years.
Data Privacy & Freedom of Expression	Description of policies and practices relating to behavioral advertising and user privacy	TC-SI-220a.1	See our Privacy Policy .
	Number of users whose information is used for secondary purposes	TC-SI-220a.2	Zero. We do not use any user information for secondary purposes. We are explicit in our user agreements about the purposes for which data are collected, and any additional uses, per our privacy policy, require explicit additional permissions granted by users. See our Privacy Policy .
	Total amount of monetary losses as a result of legal proceedings associated with user privacy	TC-SI-220a.3	\$0 USD

Topic	SASB Accounting Metric	Code	Acuity Fiscal 2022 Data
Data Privacy & Freedom of Expression (cont'd)	(1) Number of law enforcement requests for user information, (2) number of users whose information was requested, (3) percentage resulting in disclosure	TC-SI-220a.4	(1) 0; (2) 0; (3) 0%.
	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	TC-SI-220a.5	We have not been asked to alter our core products or services by government entities of any country except by issuance of a public law (e.g., GDPR, CPRA). We are not aware of any governments altering, blocking, censoring or filtering our products or services.
Data Security	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	TC-SI-230a.1	We have not had any material data breaches, individually or in the aggregate, in fiscal 2022.
	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	TC-SI-230a.2	We use a secure development lifecycle for our products and identify risks by conducting various assessments, security tests (internal and 3rd party), and monitoring threat intelligence. In addition, we use a risk management framework to categorize our risks based on impact and work with our engineering teams to address any potential risks.
Recruiting & Managing a Global, Diverse & Skilled Workforce	Percentage of employees that are (1) foreign nationals, (2) located offshore	TC-SI-330a.1	See page 5 of fiscal 2022 10-K.
	Employee engagement as a percentage	TC-SI-330a.2	Sustainable engagement is 85% favorable. See page 57 of this report.
	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, (3) all other employees	TC-SI-330a.3	Gender: 24% female in management globally, 43% female Company globally. Ethnic: 16% people of color in US management, 44% people of color in US Company. *Management is defined as Vice President and above.

Topic	SASB Accounting Metric	Code	Acuity Fiscal 2022 Data
Intellectual Property Protection & Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	TC-SI-520a.1	\$0 USD
Managing Systemic Risks from Technology Disruptions	Number of (1) performance issues (2) service disruptions, (3) total customer downtime	TC-SI-550a.1	(1) 2 performance issues; (2) 5 service disruptions; (3) 1 day, 18 hours of downtime that may have affected at least one customer with a cloud subscription. Acuity does not track total downtime on a per impacted customer basis.
	Description of business continuity risks related to disruptions of operations	TC-SI-550a.2	See pages 10-14 of the fiscal 2022 10-K.
Activity Metrics	(1) Number of licenses or subscriptions, (2) percentage cloud-based	TC-SI-000.A	(1) 1,498 subscriptions, (2) 100%. Acuity's primary software product strategy is offering SaaS subscriptions. There are, however, (a) a small number of active licenses of legacy software products that are no longer being offered for sale and (b) certain licenses of mobile device apps and desktop applications, from which Acuity does not directly derive material income, which are licensed to support the sale of other products.
	(1) Data processing capacity, (2) percentage outsourced	TC-SI-000.B	(1) 6.6THz processing capacity (2) 30% cloud.
	(1) Amount of data storage, (2) percentage outsourced	TC-SI-000.C	(1) 4.2PB storage (2) 50% cloud.

ACUITY'S CARBON FOOTPRINT

This report covers fiscal 2022 results, and includes estimates and assumptions collected from September 1, 2021 to August 31, 2022. These figures have been externally verified by a third-party auditor. See verification statement on the following pages.

Scope	Category	Emissions (MT CO ₂ e)	Emissions Methodology
Total Scope 1		34,327	
Total Scope 2		42,234	Market-based
Part 1	Purchased Goods & Services	<u>1,765,189</u>	Spend-based method; Average-data method
Part 2	Capital Goods	<u>35,556</u>	Spend-based method
Part 3	Fuel & Energy-Related Services	<u>28,695</u>	Average-data method
Part 4	Upstream Transportation	<u>55,784</u>	Distance-based method; Spend-based method
Part 5	Waste Generated in Operations	<u>2,572</u>	Spend-based method; Waste-type-specific method
Part 6	Business Travel	<u>3,234</u>	Distance-based method; Spend-based method
Part 7	Employee Commuting	<u>8,767</u>	Distance-based method
Part 8	Leased Assets	-	n/a
Part 9	Downstream Transportation	<u>62,866</u>	Distance-based method; Spend-based method
Part 10	Processing of Sold Products	-	n/a
Part 11	Use of Sold Products	<u>33,136,905</u>	Direct use-phase calculation methodology. NOTE: We have revised our FY21 baseline downward (to 27,651,800) to reflect average US grid emissions based on the Energy Information Administration's Annual Energy Outlook.
Part 12	End-of-Life Treatment of Sold Products	<u>19,669</u>	Waste-type-specific method
Part 13	Leased Assets	-	n/a
Part 14	Franchises	-	n/a
Part 15	Investments	<u>182</u>	Average-data method
Total Scope 3		35,119,419	
Total Scope 1+2+3		35,195,980	

STATEMENT

Introduction

DNV Business Assurance USA, Inc. (DNV) has been commissioned by the management of Acuity Brands Inc. (Acuity) to carry out an independent verification of its GHG emissions (*Scope 1, 2, and 3*). These assertions are relevant to the 2022 fiscal year (FY): 1 September 2021 to 31 August 2022.

Verification Objective

The objective of this verification is to verify conformance with applicable verification criteria, including the principles and requirements of relevant standards or GHG programmes, within the scope of the verification; The organization's GHG emissions inventory; any significant changes in the organization's GHG emissions inventory since the last reporting period; and the organization's GHG-related controls.

Verification Scope

FY 2022 Greenhouse Gas (GHG) emissions inventory Scope 1, 2, and 3.

Global sites, physical infrastructure, activities, technologies & processes of the organization.

Verification Level of Assurance

The verification was conducted by DNV to a limited level of assurance.

Materiality Level

Errors / omissions which represent an aggregated 5% of total emissions were considered material for Scope 1, 2, and 3.

Qualifications

Scope 3 Category 11 (Use of Sold Products) are based on the reasonableness of assumptions provided by Acuity. These include the estimated standard lifespan of products, the location of the usage of sold products and therefore the grid emissions factors used, as well as the market assumptions for type of usage (example commercial versus residential) which is based on third party reports and data.

Verification Criteria

- World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol, Corporate Accounting and Reporting Standard (Scope 1 & 2)
- World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Supplement to the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, Corporate Value Chain Accounting and Reporting (Scope 3) Standard.

Verification Protocols

- ISO 14064-3: 2019: Greenhouse gases—Part 3: Specification with guidance for the verification and validation of greenhouse gas statements.

Operational Boundary

- Operational control
- Global sites, physical infrastructure, activities, technologies & processes of the organization across two business segments Acuity Brands Lighting and Lighting Controls (ABL) and Intelligent Spaces Groups (ISG) and their facilities, including:
 - Manufacturing facilities;
 - Warehouses;
 - Distribution centers; and,
 - Offices.
- FY 2022 Reporting Period: 1 September 2021 to 31 August 2022.

Data Verified

Greenhouse Gas Emissions

FY 2022 Scope 1 Emissions	34,327 (MtCO ₂ e)
FY 2022 Scope 2 Emissions (Location based)	46,637 (MtCO ₂ e)
FY 2022 Scope 2 Emissions (Market based)	42,234 (MtCO ₂ e)
FY 2022 Scope 3 Emissions: Purchased Goods and Services	1,765,189 (MtCO ₂ e)
FY 2022 Scope 3 Emissions: Capital Expenditures	35,556 (MtCO ₂ e)
FY 2022 Scope 3 Emissions: Fuel & Energy Related Services	28,695 (MtCO ₂ e)
FY 2022 Scope 3 Emissions: Upstream Transportation and Distribution	55,784 (MtCO ₂ e)
FY 2022 Scope 3 Emissions: Waste Generated in Operations	2,572 (MtCO ₂ e)
FY 2022 Scope 3 Emissions: Business Travel	3,234 (MtCO ₂ e)

FY 2022 Scope 3 Emissions: Employee Commuting	8,767 (MtCO ₂ e)
FY 2022 Scope 3 Emissions: Downstream Transportation and Distribution	62,866 (MtCO ₂ e)
FY 2022 Scope 3 Emissions: Use of Sold Products	33,136,905 (MtCO ₂ e)
FY 2022 Scope 3 Emissions: End-of-Life Treatment of Sold Products	19,669 (MtCO ₂ e)
FY 2022 Scope 3 Emissions: Investments	182 (MtCO ₂ e)

Assurance Opinion

Based on the verification process conducted by DNV, we provide a Limited Assurance of the GHG Emissions Inventory for Acuity. DNV found no evidence that the assertion:

- is not materially correct;
- is not a fair representation of the GHG emissions information; and
- is not prepared in accordance with the *Verification Criteria*.

Independence

DNV was not involved in the preparation of any part of Acuity’s data or report. We adopt a balanced approach towards all stakeholders when performing our evaluation.

DNV Business Assurance USA, Inc.

DATE



Lead Verifier
Kevin Poirier



Technical Reviewer
Weidong Yang



Approver
David Tellez
Regional Manager Supply Chain &
Assurance Services

The purpose of the DNV group of companies is to promote safe and sustainable futures. The USA & Canada Sustainability team is part of DNV Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. www.dnvg!sustainability.com