

INDEPENDENT VALIDATION OPINION



To: The Stakeholders of Acuity Brands, Inc.

Introduction and objectives of work

Apex Companies, LLC (Apex) was engaged to conduct an independent validation of the methodology employed by the platform Atrius, developed by Acuity Brands, Inc. This validation opinion declaration applies to the related information included within the scope of work described below.

Scope of work

The scope of our work was limited to validation of the methodology developed for and implemented in the Atrius platform for calculating customers' select Scope 1, Scope 2, and Scope 3 greenhouse gas (GHG) emissions as of September 27, 2023.

Reporting Criteria

The information reported by Atrius needs to be read and understood together with the following documents, which are used by Atrius as the basis of its calculation methodology:

- Intergovernmental Panel on Climate Change (IPCC), *AR5 Synthesis Report: Climate Change 2014*
- World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD), *Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard*
- WRI/WBCSD, *GHG Protocol Corporate Value Chain (Scope 3) Accounting & Reporting Standard*

Validated Methodologies and Default Emission Factors

Emission Source	Default Methodology	Emission Factor Set
Scope 1 GHG Emissions, including: <ul style="list-style-type: none">• Stationary Combustion• Mobile Combustion• Fugitive Emissions	EPA GHG Inventory Guidance	EPA Emissions Factor Hub ¹ IPCC AR5 Synthesis Report
Scope 2 GHG Emissions (Location-based), including: <ul style="list-style-type: none">• Purchased Energy (electricity, cooling, heat and steam)	EPA GHG Inventory Guidance	EPA Emissions Factor Hub ¹ IEA Emission Factors ² DEFRA Conversion Factors ³ Australian National Greenhouse Accounts Factors ⁴ New Zealand Ministry for the Environment ⁵
Scope 2 GHG Emissions (Market-based), including:	EPA GHG Inventory Guidance	EPA Emissions Factor Hub ¹

Emission Source	Default Methodology	Emission Factor Set
<ul style="list-style-type: none"> Purchased Energy (electricity, cooling, heat and steam) 		Green-e® Residual Mix Emissions Rates ⁶
Category 1: Purchased Goods and Services	GHG Scope 3 Protocol: Spend-based method	Quantis Scope 3 Evaluator
Category 2: Capital Goods	GHG Scope 3 Protocol: Spend-based method	Quantis Scope 3 Evaluator
Category 3: Fuel- and Energy-Related Activities	GHG Scope 3 Protocol: Average-data method	EPA Emissions Factor Hub ¹ DEFRA Conversion Factors ³
Category 4: Upstream Transportation & Distribution	GHG Scope 3 Protocol: Fuel-based method and Distance-based method	EPA Emissions Factor Hub ¹ DEFRA Conversion Factors ³
Category 5: Waste Generated in Operations	GHG Scope 3 Protocol: Waste-type-specific method and Average-data method	EPA Waste Reduction Model (WARM) Version 15 ⁷
Category 6: Business Travel	GHG Scope 3 Protocol: Fuel-based method and Distance-based method	EPA Emissions Factor Hub ¹ DEFRA Conversion Factors ³
Category 7: Employee Commuting	GHG Scope 3 Protocol: Fuel-based method and Distance-based method	EPA Emissions Factor Hub ¹ IEA Emission Factors ² Green-e® Residual Mix Emissions Rates ³
Category 8: Upstream Leased Assets	GHG Scope 3 Protocol: Asset-specific method	EPA Emissions Factor Hub ¹ IEA Emission Factors ² Green-e® Residual Mix Emissions Rates ⁶ IPCC AR5 Synthesis Report
Category 9: Downstream Transportation & Distribution	GHG Scope 3 Protocol: Fuel-based method and Distance-based method	EPA Emissions Factor Hub ¹ DEFRA Conversion Factors ³
Category 10: Processing of Sold Products	GHG Scope 3 Protocol: Site-specific method	EPA Emissions Factor Hub ¹ EPA Waste Reduction Model (WARM) Version 15 ⁶

Emission Source	Default Methodology	Emission Factor Set
Category 11: Use of Sold Products	GHG Scope 3 Protocol: Products that directly consume energy during use	EPA Emissions Factor Hub ¹ IEA Emission Factors ² Green-e® Residual Mix Emissions Rates ⁶
Category 12: End-of-Life Treatment of Sold Products	GHG Scope 3 Protocol: Waste-type-specific method and Average-data method	EPA Waste Reduction Model (WARM) Version 15 ⁶
Category 13: Downstream Leased Assets	GHG Scope 3 Protocol: Asset-specific method	EPA Emissions Factor Hub ¹ IEA Emission Factors ² Green-e® Residual Mix Emissions Rates ⁶ IPCC AR5 Synthesis Report
Category 14: Franchises	GHG Scope 3 Protocol: Franchise-specific method	EPA Emissions Factor Hub ¹ IEA Emission Factors ² Green-e® Residual Mix Emissions Rates ⁶ IPCC AR5 Synthesis Report

1. EPA Emissions Factor Hub, Emission Factors for Greenhouse Gas Inventories, March 1, 2023
2. IEA 2022 Emission Factors, updated September 16, 2022
3. DEFRA Conversion Factors 2023, published June 7, 2023
4. Australian National Greenhouse Accounts Factors, published February 2023
5. New Zealand Ministry for the Environment Emission Factors, published August 16, 2022
6. 2022 Green-e® Residual Mix Emissions Rates (2020 Data), released July 19, 2022, updated October 26, 2022
7. EPA Waste Reduction Model (WARM) Version 15, published May 2019, updated November 2020 and September 2022

Responsibilities

The preparation and presentation of the data reported by Atrius is the sole responsibility of Acuity Brands, Inc.

Apex was not involved in the determination of the reported data. Our responsibilities were to:

- Provide limited assurance about whether the methodology and calculations employed by Atrius have been performed in accordance with the reported methodologies; and
- Form an independent conclusion based on the assurance procedures performed and evidence obtained.

Assessment Standard

We performed our work in accordance with International Organization for Standardization Standard ISO 14064-3 Second edition 2019-04: on Greenhouse Gases – Part 3: Specification with guidance for the verification and validation of greenhouse gas statements.

Summary of work performed

As part of Apex's limited assurance, Apex undertook the following activities:

1. Conducted interviews with relevant personnel responsible for development of the Atrius calculation platform;
2. Reviewed the platform's data collection consolidation processes used to compile the information to be reported;
3. Reviewed Atrius data and information systems used for aggregation, analysis and review of the reported information;

Conclusion

On the basis of our methodology and the activities described above:

- Nothing has come to our attention to indicate that the methodology employed by Atrius is not fairly calculating and reporting GHG emissions associated with the referenced scopes and categories;
- It is our opinion that Atrius has established appropriate systems for the collection, aggregation and quantitative analysis of emissions data within the scope of this assurance.

Statement of Independence, Integrity and Competence

Apex is an independent professional services company that specializes in environmental, health, safety, and social accountability with over 30 years history. Its assurance team has extensive experience in conducting verification over environmental, social, ethical, and health and safety information, systems, and processes.

Apex has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities. We are particularly vigilant in the prevention of conflicts of interest.

No member of the assurance team has a business relationship with Acuity Brands Inc., its Directors or Managers beyond that required of this assignment. We have conducted this validation independently, and there has been no conflict of interest.

The verification team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems, and processes, has over 20 years combined experience in this field and an excellent understanding of Apex’s standard methodology for the verification of GHG-related data.



Cody Lorentson, Lead Verifier
ESG Program Manager
Sustainability and Climate Change Services
Health, Safety and Environmental Services



Trevor Donaghy, Technical Reviewer
ESG Director
Sustainability and Climate Change Services
Health, Safety and Environmental Services



Apex Companies, LLC.
Lakewood, Colorado
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