

FOREIGN CORRUPT PRACTICES ACT COMPLIANCE POLICY

The following guidelines are derived from the United States Foreign Corrupt Practices Act (“FCPA”), and no deviation from these guidelines is permitted. Any employee of Acuity Brands, Inc. (“Acuity Brands”), including any employee of any Acuity Brands operating unit or affiliate, who violates these guidelines, will be subject to severe disciplinary action, including dismissal. In addition, any employee found guilty of violating the FCPA could be personally subject to criminal fines of up to \$100,000 or five (5) years in prison, or both, and such violation could also subject Acuity Brands to additional severe penalties.

A. OVERVIEW OF FCPA

The FCPA is intended to restrict U.S. companies from making or offering to make illegal political contributions or payments to foreign officials for the purpose of obtaining or retaining business or to otherwise secure any improper advantage. The FCPA has two main components: anti-bribery provisions and accounting control provisions.

1. **Anti-Bribery Provisions.** The FCPA prohibits bribes or the offering of bribes to a foreign official, foreign political party, party official, or candidate for foreign political office for the purpose of obtaining or retaining business or directing such business to any person or otherwise to secure any improper advantage.

The term “foreign official” includes any officer or employee of an international agency, a foreign government or any department, agency, or instrumentality of a foreign government, any foreign political party, foreign party official or candidate for foreign political office, and any person acting on behalf of any one or combination of these, including part-time government employees and any other person if there is reason to believe that such person would pass on a prohibited payment or benefit to an officer or employee of a foreign government.

The FCPA’s definition of “bribe” includes anything of value (cash or anything else) given or offered as an inducement to obtain, retain, or direct business or otherwise to secure any improper advantage. The bribe need only influence a foreign official to do or refrain from doing something in violation of his or her lawful duty.

2. **Accounting Control Provisions.** The FCPA requires publicly traded U.S. companies, including Acuity Brands, to maintain reasonably complete and accurate books and records and to devise “sufficient” systems of internal accounting controls which satisfy FCPA requirements. These accounting and record-keeping requirements are intended to prevent techniques to hide unlawful bribes such as off-the-books “slush” funds and intentionally misrecorded illegal payments. The guidelines set forth below

contain certain procedures that must be followed to insure compliance with the FCPA's accounting and record-keeping requirements. The procedures set forth in Section C below are not exhaustive, however, and Acuity Brands employees must at all times follow the specific accounting and record-keeping policies established periodically by the Chief Financial Officer.

B. CERTAIN PAYMENTS PERMITTED UNDER FCPA

Section A of these guidelines sets forth the general requirements of and prohibitions under the FCPA. Certain payments to or for the benefit of foreign officials, however, are permitted under the FCPA, but they should never be made without first consulting with an Acuity Brands attorney. Such permitted payments are as follows:

1. “Facilitating” or “Grease” Payments. There is a very limited exception in the FCPA that permits “grease” or “facilitating” payments to government officials to get such officials to perform the sort of routine, ministerial, “rubber stamp” tasks that they should already be performing. Examples of such permitted payments listed in the FCPA are payments to facilitate the provision of phone service, water service and power service, police protection, mail delivery, business permits, and inspections for contract performance and shipment of goods.

If, however, the payment is of substantial value or is made to a senior official or to an official with legitimate discretion in performing his or her duties, the payment would not likely fit within the “facilitating payments” exception. Given the difficulties associated with determining whether a payment would fit within this exception, Acuity Brands employees must never make such payments without first consulting with an Acuity Brands attorney.

2. Lawful Payments Under Written Laws of Foreign Country. The FCPA permits payments to foreign officials that are lawful under the written laws of the foreign country in question. Even though payments to government officials may be “common” or “traditional” in some countries, almost all countries have written laws officially prohibiting bribes to government officials. Acuity Brands therefore requires consultation with an Acuity Brands attorney and a formal written opinion of local counsel with supporting documentation prior to any such payments to ensure the applicability of this provision.

3. Certain Bona Fide Payments or Gifts. The FCPA permits payments or gifts that are reasonable and bona fide expenditures (such as travel and lodging expenses) incurred by or on behalf of a foreign official directly related to the promotion, demonstration, or explanation of a product or service or for the execution or performance of a contract with the foreign government. For example, paying for a foreign official's airline ticket and lodging to a demonstration site in the U.S. would likely qualify under this provision, although paying for the official's spouse or paying to send the official on a

ski trip would not likely qualify. No such payments should be made without first consulting with an Acuity Brands attorney.

C. GENERAL GUIDELINES

The following general guidelines are applicable to all Acuity Brands employees and agents:

1. No Acuity Brands employee or agent shall make prohibited, unauthorized, or illegal disbursements, in cash or otherwise, to a foreign official (which includes any employee of a foreign government, international agency, foreign political party, or candidate for foreign political office, or any person acting on behalf of any such person). No Acuity Brands employee or agent shall make a gift to any foreign official exceeding a nominal value.

2. No Acuity Brands employee or agent shall engage in any activity, domestic or foreign, which he or she knows or has reason to believe circumvents Acuity Brands' systems, procedures, and controls for (i) internal accounting, fund expenditure, and purchasing or (ii) the sale, barter, transfer, or disposition of assets. No Acuity Brands employee or agent shall make a disbursement of any kind and intentionally fail to make the correct input into the system accounting for the disbursement.

3. No employee or agent of Acuity Brands shall place an order, enter into barter agreements, authorize or make payments for supplies, materials, inventory items, facilities, hardware, software, professional or technical services, reimbursements, or any other item or service without (i) utilizing a purchase requisition, contract, or other written authorization in accordance with applicable policies, or (ii) observing any other practice or procedure specifically required by Acuity Brands.

4. If an Acuity Brands employee or agent is approached or asked to hide the identity of the other party to a transaction or to participate in an illegal payment, an "off-the-book" disbursement, a payment in cash, or a payment to a third party or in a country other than the country in question, he or she shall refuse to take such action and shall immediately report the incident directly to an Acuity Brands attorney.

5. Acuity Brands employees shall perform appropriate due diligence when doing business in a foreign country to determine the reputation and identity of its contractors, consultants, suppliers, and other business partners. When retaining a consultant, agent, or representative, or when entering into a partnership, joint venture, or similar business arrangement involving Acuity Brands and any other party, such due diligence should include specifically investigating whether any owners, officers, directors, parents, or employees of such other party are foreign officials or are closely related to any foreign officials. Such due diligence may also include discussions with the other party as well as contacting the U.S. embassy in the country in question, trade associations, local attorneys, accountants, or other sources of information. More

extensive due diligence should be performed in countries with reputations for corruption and bribery.

6. Acuity Brands shall not pay unusually large or above-market fees, commissions, costs, or other expenses for goods or services in a foreign country without first consulting an Acuity Brands attorney.

7. All Acuity Brands contracts and agreements establishing partnerships, joint ventures, or similar business arrangements to do business in or with any foreign country, and any contracts and agreements by which Acuity Brands engages the services of any consultant, agent, or other representative to act on behalf of Acuity Brands in any foreign country must contain language provided by an Acuity Brands attorney (i) requiring the other party to be aware of the prohibitions contained in the FCPA and to abide by the FCPA and local law, (ii) providing for the immediate termination of the relationship in the event of an improper payment that would violate the FCPA and for payment by the other party of any damages and expenses suffered by Acuity Brands as a result thereof, (iii) pursuant to which the other party represents and warrants that none of the other party's principals, staff, officers, or key employees is a governmental official, candidate of a political party, or other person who might assert illegal influence on Acuity Brands' behalf, (iv) prohibiting assignment of the agreement by the other party without Acuity Brands' consent, (v) prohibiting any payments for travel, entertainment, or other miscellaneous expenses under such contracts or agreements by the other party to third parties without the express consent of Acuity Brands, and (vi) requiring the other party to periodically certify its compliance with the FCPA upon Acuity Brands' request.

8. Acuity Brands employees and agents shall cause each foreign company, partnership, joint venture, or similar business arrangement controlled by Acuity Brands to be subject to all of the anti-bribery and record-keeping requirements of the FCPA. Acuity Brands employees and agents shall use good faith efforts to cause each foreign company, partnership, joint venture, or similar business arrangement in which Acuity Brands participates as a minority member to abide by all of the requirements of the FCPA, and in any event shall cause Acuity Brands to disassociate itself from any such entity immediately upon a violation by such entity of the FCPA.

9. Acuity Brands employees and agents shall report any conduct or circumstances indicating a potential violation of the FCPA as described in this policy. "Willful ignorance" or the "conscious disregard" of any such conduct or circumstances are not defenses to a charge of violating the FCPA if the circumstances would have alerted a reasonable person to the high probability of an FCPA violation. So-called "red flags," such as requests for payments in cash, claims by a prospective agent that it has connections or an inside track with governmental officials, requests for payments to third parties, requests for payments to accounts in a third country, or similar warning signs should alert Acuity Brands employees of the need for additional investigation.

D. EXAMPLES

The following hypothetical examples are intended to illustrate how the FCPA might be applied to certain business situations:

Example 1: Acuity Brands has submitted a bid proposal to retrofit an office building of the Canadian government. During a lunch meeting with an Acuity Brands sales representative, the government procurement officer tells the sales representative “off the record” that companies submitting bids with an up-front cash payment will have a greater likelihood of being awarded the contract.

In this example, any such payment would likely be treated as a payment to obtain an improper business advantage, or an unlawful bribe under the FCPA, and could subject the sales representative and Acuity Brands to criminal prosecution.

Example 2: Acuity Brands is deciding whether to hire a consultant in Colombia to advise and assist Acuity Brands in efforts to import and export lighting fixtures between Colombia and the United States. The consultant’s fees are higher than Acuity Brands normally pays for consulting services, but the consultant assures Acuity Brands that Acuity Brands will actually save money in the long run because the consultant has “inside connections” with Colombian trade officials and can avoid many of the normal requirements for exporting goods from Colombia. The consultant insists on being paid only in cash.

In this example, several red flags are present indicating a potential for FCPA violations. Although this example does not involve a direct bribe to a foreign official, the country’s reputation for corruption, the consultant’s reference to “inside connections,” the excessive fees requested, and the request for payment in cash together indicate a likelihood that the consultant will pass on unlawful payments to foreign officials while acting on behalf of Acuity Brands and thus subject Acuity Brands to prosecution under the FCPA.

These examples only reflect a few of the possible situations to which the FCPA might be applied. Any questions regarding these or other situations should be directed to an Acuity Brands attorney.

E. GENERAL PROVISIONS

1. **Education.** Acuity Brands will effectively communicate this Policy to any new employees of the Company, as well as, take appropriate action, on an annual basis, to ensure that its employees understand this Policy.

2. **Evaluation.** Acuity Brands will evaluate its FCPA compliance efforts (including this Policy) on an annual basis, with outside assistance as necessary, and make adjustments as are necessary to enhance such efforts.

3. **Reporting.** Any employee who has information leading the employee to believe that this Policy is being or may be violated must report that information to Acuity Brands' legal department or to the toll-free telephone number listed below. Every reasonable effort will be made to keep confidential the identity of the employee reporting such information. Any reported activities that appear to be inconsistent with this Policy will be investigated by the Legal Department or the Internal Audit Department. Appropriate measures (including disciplinary action) will be taken with respect to any violation. No employee reporting a violation of this Policy in good faith will be subject to disciplinary action based on such reporting.

This Policy does not address every aspect of the FCPA, but is instead intended to generally explain the FCPA and to provide certain guidelines for Acuity Brands employees and agents. These guidelines are in addition to the Acuity Brands Code of Ethics and Business Conduct and any other policy, code, or guideline established by Acuity Brands with respect to the conduct of Acuity Brands' employees.

Any questions about this policy, requests for specific contractual language, or reporting of conduct violating the FCPA or this Policy should be directed to the Legal & Compliance Department at 770-922-9000. Employees may also anonymously report conduct violating the FCPA or this Policy by calling toll-free 1-800-241-5689 (in Mexico call 001-866-396-4241; outside of the United States and Mexico call collect 1-770-810-1134), 24 hours a day, 7 days a week.